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## THE ANATOMY OF THE ELIZABETHAN ARISTOCRACY

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### I

IT is now some years since Professor Tawney launched his attack on the accepted views of the collapse of the *ancien régime* in England in 1639-42.<sup>1</sup> As he has shown, all the most acute and penetrating minds of the late sixteenth and early seventeenth centuries were aware of the crucial importance of the social transformation that was taking place. That the shift in the relative proportions of the national income held by the different classes of society was the basic cause of the upheavals of the mid-seventeenth century is now clear beyond reasonable doubt. Lacking the backing of power that once justified their pretensions, Crown, aristocracy and episcopacy clung desperately to political rights and social privileges, for which the financial, military, and territorial foundations had been almost totally eroded. The piling up of debts to great magnates in the City, the weighing down of estates by the accumulation of mortgages in the country—these were the twin heralds of a new age. Under such circumstances, and confronted with the rise of the gentry, merchants, and lawyers, a new class whose political aspirations and whose views on foreign, religious and social policy differed fundamentally from those of the aristocracy, the hold of the latter upon the springs of political and social power were bound to be loosened. A revolution, peaceful or violent, as chance and personality might dictate, had become quite inevitable. In the bringing about of this social transformation, the decline of the aristocracy is perhaps equally as important as the rise of the gentry. It would seem, therefore, not unprofitable to attempt an analysis of the economic position of this group, of the sixty-odd men who in the reign of Elizabeth held the titles of baron, viscount, earl or marquess. In so doing, for the purpose of illustration, use may be made of their friends and relations, not noble themselves but all

<sup>1</sup> R. H. Tawney, 'Harrington's Interpretation of his Age', *Proc. Brit. Acad.* xxvii; R. H. Tawney, 'The Rise of the Gentry', *Econ. Hist. Rev.* (1941), xi.

of whom were courtiers, held similar social views, and conformed to similar social and economic patterns.

By the accession of Elizabeth, the fortunes of the nobility had already passed through two fairly clear-cut phases during the Tudor period. Between 1485 and about 1530, there had been a deliberate attempt to put into practice the recommendations of Sir John Fortescue, a conscious effort to liquidate the greatest of the old medieval baronage. The methods employed are by now familiar. Some were subtle and indirect,<sup>1</sup> the majority crude and all too swiftly efficacious. By 1530, however, there are signs of a certain ambiguity creeping into the Government's policy towards the old nobility. The Duke of Norfolk was still a power in the realm, but in economic resources the Crown was, generally speaking, by now separated by a great chasm from the bulk of the old aristocracy. It began to be felt that such a position was not without its dangers. That in a sense the Crown was but the headstone of the whole social hierarchy and that by tearing down its nearest supports, the Crown itself might be equally weakened.

There opened in 1538 a second phase, the formative period of the great Tudor aristocracy. Desiring the complicity and co-operation of officials, favourites, and what remained of the old nobility in the great revolution of the seizure of monastic property, the Crown bought support by the wholesale distribution of the booty. 'The lion having sucked the blood of his prey threw the offal carcase to the jackal in waiting', observed Burke in his somewhat unkind description of the origin of the Russells, Earls of Bedford. After this first distribution of the spoils from 1538 to 1547, there followed a second and even more extensive share-out during the reign of Edward VI. The magnates who held the reins of political power distributed amongst themselves and their supporters the property of monasteries, chantries, and Crown with a cynical disregard for the interests of the monarchy in whose name they were supposed to be acting. During this period more property was given away than was sold.<sup>2</sup> Much was entered as 'exchanged'.<sup>3</sup> Whatever their subsequent fortunes, this was the acquisitive period of the Tudor aristocracy.<sup>4</sup> The Earls of Cumberland, Worcester and Shrewsbury absorbed Bolton, Tintern and Workop; the Earl of Rutland swallowed the vast property of the monasteries of Beverley, Rievaulx, Belvoir and Nunburnholme; the Earl of Pembroke replaced the nuns at Wilton;<sup>5</sup> the Earl of Bedford founded the fortunes of the house of

<sup>1</sup> Francis Bacon, *History of the Reign of King Henry VII* (1676), p. 64.

<sup>2</sup> The Privy Council alone voted itself property valued at £27,000 p.a., F. C. Dietz, *English Government Finance, 1485-1588* (1920), cap. xiv.

<sup>3</sup> For their true nature, see the case of Lord Clinton. (H.M.C. Salis. MSS. ix, 195.)

<sup>4</sup> Thus the landed income of the Earl of Hertford was £2400 p.a. in 1540, but had risen to £7400 twelve years later. (*Wilts. Arch. Mag.* xv, 189.)

<sup>5</sup> Ejected by Queen Mary to make way once more for nuns, the Earl swept back to Wilton on the accession of Elizabeth. In characteristic style he rode into the courtyard of the Abbey surrounded by his retainers, shouting triumphantly at the unfortunate maidens: 'Out ye whores, to worke, to worke, ye whores, goe spinne.' John Aubrey, *Brief Lives* (ed. A. Clark; Oxford, 1898), i, 316.

Russell on the estates of Tavistock Abbey in the West, Woburn and Thorney in the East. It was to take half a century of gross incompetence and unparalleled extravagance to dissipate this accumulation of wealth thus rapidly acquired.

The third phase opened in 1554 and ceased abruptly with the arrival in London of King James. It was a period of slow attrition, culminating during the last decade of the period in a general financial debacle that was only arrested by the prodigality and generosity of the new monarch. The political factors that contributed so powerfully to this decline have received far less attention than they deserve. The price revolution and inefficient land management have loomed too large. Costs of public administration and war have not been given due place. Decline in revenue has been studied at the expense of rise in expenditure. Interpretation of the decay in terms of long-range inexorable economic factors has created a false impression of inevitability. If landed incomes were declining, this was due to incompetent management and diversion of capital to other uses, both attributable to non-economic factors. The price revolution did not by any means inevitably bring ruin to large landowners. Their survival or extinction depended on their handling of the changing circumstances. In fact, the causes must be sought rather in the vagaries and eccentricities of human behaviour, in the irrational impulses of psychology and sociology, rather than the noonday illumination of the laws of economics. If the Tudor aristocracy went bankrupt, this calamity occurred because they consistently lived beyond their means in an attempt to keep pace with extravagant social conventions. Snobbery and foppery, gluttony and gambling were all more important than any changes in price structure or land tenure.

## II

An examination of the causes of the decay of the great Elizabethan aristocratic houses must therefore be first directed towards expenditure. For it is here that lay the root of the trouble which in turn involved a decline in revenue. One of the primary causes of this rise in expenditure was the spreading taste for conspicuous waste. Contemporaries were unanimous in their conviction that the last fifty years of the sixteenth century saw the full impact upon the English ruling classes of the habits and follies of Renaissance extravagance. It was not that the rich had suddenly become more foolish or more extravagant than usual. But the commercial expansion of the sixteenth century gave opportunities for wasting money far in excess of those enjoyed by the medieval aristocracy. Secondly, there was the powerful influence of Italian habits of neo-pagan opulence. Tastes which found favour with a Medici were sedulously adopted by an English earl. And thirdly, there was undoubtedly a certain moral deterioration among the English governing classes subsequent to and consequent upon the ferocious scramble for power and wealth from 1529-53. It must be remembered that the majority of the Elizabethan nobility were the second or third generation of *nouveaux riches*—generations

from which extravagance may normally be expected. Thus it was not merely puritan moralists like William Stubbes, or acidulated satirists like Dekker and Ben Jonson, who bore witness to this phenomenon. Sober historians like Camden, civil servants like Thomas Wilson, statesmen like Burghley all joined in deploring the social consequences of these new habits. The impact of this extravagance hit the aristocracy with maximum effect at this period, since it was accompanied by a conservatism in the handling of revenue that was inherited from a bygone age. Land management remained medieval in its principles; the thought of going into business was still undignified even for a younger son; the stock market had not yet developed as a profitable and honourable method for the employment of capital. Interest rates of 10 % and above precluded estate development on a grand scale for those whose ready cash was fully absorbed in the luxuries and fopperies of life at court. Clinging to old habits of getting, they adopted new devices for spending. The gap between income and expenditure grew from a tiny crack to a vast chasm.

When speaking of this extravagance, it must be remembered that it was most severely localized. Its focus was the court, its arbiters the fashion critics of the Inns of Court and the City Ordinaries, its life-blood the luxury and entertainment trades of London. It was the capital that not merely set the pattern but also provided the only *raison d'être* for this style of living and held the exclusive monopoly of the necessary workmen for its satisfaction. In London only were to be found the inevitable parasites battenning upon the follies of the vain and of the great, 'the Vintners, Players and Punks' who 'gain more by you than Usurers do by thirty in the hundred'.<sup>1</sup> The results of such London pleasures were devastating in their consequences. Thus by a five-year orgy of extravagance, the Earl of Oxford succeeded in running through the ancestral fortune of the de Veres.<sup>2</sup> And it was the purest vein of dissipation that in three years drove Lord Berkeley from immense affluence to severe financial straits and the burden of enormous debts. Merely by living the life of the court gallant and the City fop, 'having noe suites in lawe, nor daughters then marryed away, forraigne embassies, domesticke services in Court or Country, nor any other extraordinary expense in the world',<sup>3</sup> he managed to spend far and away above the vast income derived from his fifty-eight manors.

The most obvious and perhaps the most important form of extravagance lay in clothes. 'O! many Have broke their backs with laying houses on 'em' groaned the playwright.<sup>4</sup> 'Overflowing with the corrupte humours of this ages phantastickness or else being burnt up with the inflammation of upstart fashions... some pied fools to put on satin and velvet but foure daies in the yeare did oftentimes undoe themselves wives and Children

<sup>1</sup> Thomas Dekker, *Gull's Hornbook* (Dedication).

<sup>2</sup> Thomas Wilson, *State of England* (Camden Misc. xvi, p. 22); H.M.C. Salis. MSS. xiii, 104-37 passim.

<sup>3</sup> John Smyth, *Lives of the Berkeleys*, II, 386.

<sup>4</sup> W. Shakespeare, *The Famous History of the Life of King Henry VIII*, Act I, sc. i, ll. 83-4.

ever after' asserted the satirist.<sup>1</sup> For the 'costliness and the curiosity, the excess and the vanity, the pomp and the bravery and finally the fickleness and the folly... nothing is more constant in England than unconstancy in attire', declared a dazzled rustic observer.<sup>2</sup> It was stated that the number of mercers in London had risen from 30 to 300 between the time of Queen Mary and the year 1600.<sup>3</sup> The speed with which fashions altered was quite bewildering. Tailors crouched anxiously behind pillars in old St Paul's, watching for a new cut of doublet or a novel pair of hose displayed upon the gallants exhibiting themselves in the aisles. The Spanish slop and the Skippers galligaskin, the Switzers blistred Codpiece and the Danish hanging sleeve; the Italian close strosser and the French standing collar; the treble-quadruple Daedalian ruffs and the stiff-necked rebatoes, all succeeded one another in confusion worse confounded, as foreign fashions flooded into London at break-neck and purse-emptying speed. The consequences were plain to see. The 'Gallant in Mercers bookes exalted for Sattens and velvets'<sup>4</sup> was a commonplace about the town. Clothing prices were fantastically high: seven doublets and two cloaks belonging to the Earl of Leicester were valued at £543.<sup>5</sup> The Earl of Arundel owed £1023 to forty-two mercers, taylors, dyers, etc.<sup>6</sup> The Earl of Essex owed £736 for cloth to one Abdy, a draper.<sup>7</sup> The main costs were partly the silk and satin materials, but even more the gold and silver trimmings. The cost of embroidery was quite unbelievable. In the reign of James a lady at a court ball was reported to be wearing embroidered stuff worth £50 a yard.<sup>8</sup> Even modest country gentlemen like Gervase Holles spent £30 on embroidery for a single suit.<sup>9</sup> An idea of the quantities employed may be deduced from the case of the silver lace used on a suit made for Lord Berkeley, on which the tailor thought it possible to overcharge to the extent of 5 lb. in weight.<sup>10</sup> Even the humble servants and attendants about the court at a period before the fashion was fully developed strutted about with over 1 lb. weight of silver and gilt spangles upon their coats.<sup>11</sup> The extent of this extravagance can be checked from import statistics to London. In the four years 1594-8, there was imported just under one ton of gold and silver thread from Venice and Cologne, besides rather less than three tons of copper thread, to satisfy the wants of the less extravagant.<sup>12</sup> As for silks, a quantity to make about 110,000 yards of taffeta was imported in the year

<sup>1</sup> T. Dekker, *op. cit.* (Temple Classics ed. pp. 18, 200.)

<sup>2</sup> W. Harrison, *Description of England*, chap. vii.

<sup>3</sup> B.M. Harleian MSS. 1878/56.

<sup>4</sup> T. Dekker, *op. cit.* p. 34.

<sup>5</sup> B.M. Harleian Charters, D 35/15.

<sup>6</sup> B.M. Lansd. MSS. 45/84.

<sup>7</sup> H.M.C. Salis. MSS. vii, 283, 375.

<sup>8</sup> Thomas Birch, *Court and Times of James I*, II, 226.

<sup>9</sup> A. C. Wood, *Memorials of the Holles Family* (Camden Soc. LV),

p. 127.

<sup>10</sup> John Smyth, *op. cit.* II, 338.

<sup>11</sup> B.M. Lansd. MSS. 16/53; 83/58.

<sup>12</sup> H.M.C. Salis. MSS. viii, 545.

1592-3,<sup>1</sup> the amount having risen to about 210,000 yards in 1600-1.<sup>2</sup> So rapid was the increase that, by the turn of the century, Robert Cecil found it worth his while to take on a special farm of the silk customs, while a little later Sir Giles Mompesson organized his outrageous monopoly in gold and silver thread. Outside these statistics covered by official returns, an immense and prosperous smuggling trade in luxury cloths grew up. In the year 1597, it was reported that from Stade alone there were illegally imported 250 chests containing no less than 97,500 yards of velvet.<sup>3</sup> In 1564-5, on the other hand, gold and silver thread imports had been negligible in quantity while the flood of fabrics was still kept within modest proportions, silk imports being to the value of £8000, taffeta £3500 and satin the same.<sup>4</sup> The rising extravagance of the aristocracy had thus altered the pattern of English imports to a very marked extent during the last forty years of the sixteenth century. The expenditure on clothes was not merely ruining the nobility as a class, it was also upsetting the balance of English trade.

The second most obvious form of extravagance was hospitality. The ostentatious progresses that the Queen was accustomed to make every summer throughout the southern counties of England were calculated to have reduced many a noble host to beggary. Accompanied by costly gifts, elaborate masques and entertainments, punctuated by feasts upon which a year's income might well be spent—a visit by her gracious Majesty was a thing to be feared above all other economic disasters. Peers fled abroad or to remote parts on the mere rumour that a progress was planned for the county in which they resided. Nor was this panic unjustified. Nothing more reliable than rumours have survived for the more famous of these orgies of hospitality. The cost of the entertainment of the Queen by the Earl of Leicester at Kenilworth in 1575 was asserted to have amounted to £6000.<sup>5</sup> The Queen's numerous visits to Theobalds are said to have cost Lord Burghley £2000 to £3000 a time.<sup>6</sup> Less extravagant occasions are, however, subject to statistical check. When Sir Nicholas Bacon entertained his sovereign at Gorhambury for six days, in 1577, it cost him £577. 6s. 7d., together with twenty-five bucks, two stags, and a golden cup. Lord North spent £762. 4s. 2d. in three days junketing at Kirtling on a similar occasion a year later. Two days' entertainment by Sir Julius Caesar at Mitcham in 1590 was said by the aggrieved host to have left him £700 the poorer.<sup>7</sup> In addition there were the gifts which the Queen expected as a matter of

<sup>1</sup> H.M.C. Salis. iv, 574. In addition, in 1600 one man alone was said to be smuggling 1300 lb. weight of Venetian gold and silver lace. (B.M. Harleian MSS. 1878/56.) Sir Giles Mompesson and the monopolist patentees put internal consumption at 400 lb. a week, which is rather over 10 tons a year. But their guess proved to be excessive. (M. A. Abrams, 'The English gold and silver Thread Monopoly, 1611-21', *J. Econ. and Business Hist.* iii, 382-406.)

<sup>2</sup> B. M. Harleian MSS. 1878/59.

<sup>3</sup> Ibid. 1878/56.

<sup>4</sup> B.M. Lansd. MSS. 8/17.

<sup>5</sup> W. Dugdale, *Antiquities of Warwickshire* (1656), p. 166.

<sup>6</sup> F. Peck, *Desiderata Curiosa*, i, 25. Cf. Cal. S.P. Dom. 1591-4, p. 38.

<sup>7</sup> J. Nichols, *Progresses of Queen Elizabeth* (1823), ii, 55-8, 236-8; iii, 68.

course. In 1595 Lord Keeper Puckering's farewell present to his royal guest was a nosegay containing within it diamonds valued at £400.<sup>1</sup> In the eyes of Her Majesty, the honour of entertaining royalty was more than adequate compensation for the outlay of the host. But impoverishment and final bankruptcy were the inevitable reward for such habits of prodigality, imposed by the dictates of the Queen upon a class which looked to the Court to set the fashion in social convention.

Even left to themselves, the style of entertainment of the aristocracy, both in their great houses in the country and at Ordinaries in the City, was on a truly princely scale. Princely also was the cost. In the twelve days from Christmas to Twelfth Night at his seat at Woolaton, Sir Francis Willoughby spent £104 on food alone, for himself and his guests.<sup>2</sup> It was not so much the gargantuan size of the feast or the Trimalchian rarity of the dishes that ran away with the money, even if both these features were present to a degree that seems unbelievable to the twentieth-century palate.<sup>3</sup> It was rather the scale of the entertainment, the vast numbers of the guests assembled to do honour to the host that caused the expense. For to keep hospitality was a sign of dignity, the hall-mark of the true gentleman. A mere knight like Sir Francis Willoughby, when he came to London on 10 November 1580, entertained at Lincoln's Inn no less than forty-eight gentlemen to dinner and then forty-two to supper.<sup>4</sup> An earl kept open house to all comers who could claim the title of gentleman. His table might well run into hundreds.<sup>5</sup> Even the prudent Burghley was not immune from the contagion. The expenditure of £362. 19s. 11d. on a feast at Burghley House to the French Commissioners on 30 April 1581, might possibly be ascribed to the necessities of public policy. But no such excuse will serve for the £629. 1s. 11d. spent on the three days' feasting that accompanied the marriage of his daughter a year later.<sup>6</sup> The Earl of Clare's grandfather was thus by no means the only Elizabethan of whom it could be said that he 'sent all his revenues downe the privy house'.<sup>7</sup>

Ostentatious building was another of the weaknesses of the great. The immense mansions of the parvenu Elizabethan aristocracy remain to this day to give the English countryside one of its most characteristic features. The fact that they were constructed with a view to ostentation rather than to comfort was soon brought home to their subsequent occupants. Thus, by the turn of the century, the heirs of the first Marquis of Winchester had already been obliged to pull down part of the monstrous edifice erected by their father at Basing.<sup>8</sup> Vast, impracticable, sometimes exceedingly ugly, the great houses were not infrequently erected on a foundation of debts and mortgages. Not everyone was as fortunate as Sir Francis Willoughby

<sup>1</sup> Ibid. II, 119.

<sup>2</sup> H.M.C. Middleton MSS. 461.

<sup>3</sup> Trimalchian, however, was Lord Berkeley's feast when he loaded his table with 'a bore enclosed in pale workmanly guilt by a cooke hired from Bristol'. (Smyth, op. cit. II, 287.)

<sup>4</sup> H.M.C. Middleton MSS. 555.

<sup>5</sup> E.g. the Earl of Essex. (H.M.C. Salis. MSS. IX, 271.)

<sup>6</sup> B.M. Lansd. MSS. 33/69, 71.

<sup>7</sup> A. C. Wood, op. cit. p. 42.

<sup>8</sup> J. Nichols, op. cit. I, xxxi.

who exchanged coal from his mines for building-stone for Wollaton Hall; or the Cecils who could use official agents and official transport to import bricks and stonework, wood panels and Antwerp tapestries from the Low Countries to embellish Burghley House; or Nicholas Bacon, who could draw freestone from the Abbey of St Albans, and timber from his own parks with which to rebuild Gorhambury. Even so these improvements cost the last £1894. 11s. 9d. in five years; Willoughby had to sell a large section of his estates to pay the costs;<sup>1</sup> and Sir Thomas Cecil was in constant doubt of what his thrifty father would think of the expense.

Equally costly was living in London. Those who were not fortunate enough to extort one of the old episcopal palaces were obliged to pay fantastic prices for house rent. London's population was expanding at a tremendous rate and overcrowding was pushing up rentals. Thus the Count d'Egmont in 1604 was paying for a furnished house in London at a rate of £450 per annum.<sup>2</sup>

A serious source of aristocratic extravagance was expenditure at the shops of jewellers and gold- and silver-smiths. An inventory of the jewellery of the Countess of Somerset in 1586 reads like the contents of an Emperor's treasure chest.<sup>3</sup> Plate was bought, given, exchanged, accumulated in the greatest profusion. In 1589, the Countess of Rutland's New Year gifts to her friends in plate and jewellery cost her no less than £174. 6s. 8d.<sup>4</sup> The habit of purchasing and presenting jewellery and plate developed into a ruinously competitive mania. When the Duc de Montmorenci was installed as Knight of the Garter in 1572, he received presents of jewels and plate from his fellow knights and from the Queen, which amounted in value to £1600. os. 6d., besides £440. 9s. 6d. for his personal attendant M. de Foix.<sup>5</sup> On New Year's Day 1577-8, the Queen gave away 5882 ounces of gilt plate.<sup>6</sup> The Earl of Leicester's parting gift to his royal mistress as set out in his will was fantastic in its extravagance: 'the jewell with three great Emerods with a faire large table diamonde in the myddest without a foyle, and sett about with many diamonds without foyle; and a roape of fayre white pearles to the number of sixe hundred to hang the said Jewell at.'<sup>7</sup> This expenditure was, however, not all waste. When times became hard the plate and jewels found a ready market in the City pawnshops. Indeed, Sir Christopher Blount who married the Earl of Leicester's widow appears to have lived for ten years principally from the sale of the late Earl's jewels,<sup>8</sup> and it was only when this source of revenue gave out that he joined the Essex revolt.

If expenditure on plate and jewels was thus occasionally useful, no such compensations applied to other features of courtly life. The Queen

<sup>1</sup> Ibid. II, 56; H.M.C. Middleton MSS. 567, 588.

<sup>2</sup> H.M.C. Salis. MSS. xii, 95.

<sup>3</sup> J. Strype, *Annals of the Reformation* (1728), III, Appendix, p. 168. (Cf. a similar list for Lady Anne Hamilton in 1632, *H.M.C. Reports*, x, 35.)

<sup>4</sup> H.M.C. Rutland MSS. I, 279.

<sup>5</sup> J. Nichols, op. cit. I, 305.

<sup>6</sup> Ibid. I, xxxvi.

<sup>7</sup> The Earl of Leicester's will. (B.M. Harleian Charters, D 35/12.)

<sup>8</sup> B.M. Harleian MSS. 304/88-90.

herself was mean enough to be proverbial. Even unique opportunities like the offer of a couple of camels would not induce her to open her purse-strings.<sup>1</sup> Less prudent counsels, however, prevailed among her courtiers. The legacies of court, so the country was convinced, were 'pride, passion and prodigality'. Gambling for high stakes with a sovereign who detested losing was apt to be an expensive pastime. Thus Lord North, in the performance of his duties as a courtier, lost £102 one month, £28 another and £30 a third, in gaming with his royal mistress.<sup>2</sup> Dice and cards became increasingly popular in court circles throughout the period, to the indignant outcries of the Puritans and moralists. Lord Eure's sons and their cronies, who descended one day upon little Sir Postumous Hoby, played cards all night and half the morning, drank the house dry, and made rude noises during family prayers, were typical specimens of the type.<sup>3</sup> Gambling ceased to be a pastime and became a passion. The Earl of Pembroke, exiled to his stately mansion at Wilton, complained bitterly that he could find none among the locals to make up a set at primero.<sup>4</sup> John Smyth had to confess that Lord Berkeley's 'longe and slender lady-like-hand knew a dye as well and how to handle it as any of his ranke and time'.<sup>5</sup> The sums that changed hands tended to grow as the century drew to a close. Sarah Harington lost £500 at cards in a single night,<sup>6</sup> while at a royal orgy organized by King James on 7 January 1608, none was admitted to play who had not £300 in cash jingling in his pocket.<sup>7</sup>

Especially costly were outdoor sports which were also pursued with fanatical zeal. The Elizabethan aristocracy appear to have spent more time in the company of their hounds and falcons than upon all other occupations together.<sup>8</sup> Elizabeth, as became a lady, took a less impassioned interest, preferring a carefully arranged holocaust of beasts, displayed in neat heaps before her contented gaze.<sup>9</sup> No records remain of the cost of the more extensive of these hunting establishments. The expense could, however, scarcely have been less than the £1000 to £1700 a year spent on such pursuits by the Earl of Bedford three-quarters of a century later.<sup>10</sup> The other outdoor sports were equally expensive. Before he took to piracy on the high seas, that accomplished gambler, George, Earl of Cumberland, dissipated his fortune in the increasingly popular sport of horse-racing, and in a series of jousts and tournaments conducted with all the pomp and panoply, absurdity and extravagance of the age of Froissart.

Lavish in their hospitality, lavish in their sports, no less generous were the Tudor nobility in the size of their establishments. The Statute of

<sup>1</sup> H.M.C. Salis. MSS. xiv, 281.

<sup>2</sup> Lord North's expense account printed by J. Nichols, op. cit. II, 241-7.

<sup>3</sup> H.M.C. Salis. MSS. x, 303; xi, 11.

<sup>4</sup> Ibid. xi, 361.

<sup>5</sup> Smyth, op. cit. II, 363.

<sup>6</sup> Wood, op. cit. p. 162.

<sup>7</sup> Birch, op. cit. I, 71.

<sup>8</sup> Cf. H.M.C. Salis. xii, 302; Smyth, op. cit. II, 363.

<sup>9</sup> When the Queen slaughtered twenty-seven of his deer in a single afternoon the language and actions of Lord Berkeley became almost treasonable. (Smyth, op. cit. II, 378.)

<sup>10</sup> G. Scott-Thompson, *Life in a Noble Household*, p. 203.

Retainers was in practice never enforced after the thirties, and some of the retainers of the great Lords become once more princely in both numbers and apparel. It was a matter at once of pride and of jealousy to maintain a greater following than the next man. The costs were irrelevant provided that the pack of liveried retainers—‘all that flocke of stoute bragging russhe bucklers’<sup>1</sup>—were substantial enough to excite the admiration of the countryside, to brawl bloodily with the servants of their master’s enemies, and to create an imposing show at court. Thus Henry Lord Berkeley began life with ‘his one hundred and fifty servants in livery that daily attended him in their Tawny coates... with the badge of the white Lyon rampant imbroidered on the left sleeve’.<sup>2</sup> Lord Buckhurst, first Earl of Dorset, for twenty years had never less than 220 servants upon his check-roll.<sup>3</sup> The landslide in the family fortunes of the Earls of Rutland seems merely to have increased the size of their establishment. In 1529 the household numbered 135 servants, while the spiritual needs of the Earl were served by no less than five chaplains, all of whom were knights. By 1612, however, the servants had swollen to 194, while the rise in the number of chaplains to nine, none of them knights, would seem to indicate an increase in the piety of the earl while reflecting the decline in the status of the clergy.<sup>4</sup>

Expensive also was the education of the children of the great. For the sons, the grand tour was already *de rigueur*. Throughout a war-racked continent, the English sprigs of nobility were constantly to be observed, indefatigably tasting the pleasures and savouring the vices of France, Germany and Italy. In the background lurked the tutor to whose nominal charge the young lord had been entrusted, sometimes a timid and reproachful mentor, sometimes a bold and dissolute boon companion. After a year or two, the young lord would return to England with a smattering of foreign languages, a hearty contempt for his barbarous and untravelled fellow-countrymen, a sound knowledge of the seductive courtesans of Venice and of Naples, the heady wine of Paris and of Lyons, and finally with a taste for foppery in clothes that was to last as long as his purse could stand the strain. Such jaunts were naturally not cheap. For example, that of the young Earl of Oxford in 1576 cost no less than £3761, all transferred to the foreign capitals, at a discount, by the great Italianate financier, Benedict Spinola.<sup>5</sup>

In the case of daughters, the expense was not in education by travel, but in marriage by dowries. The normal aristocratic marriage was exclusively a business deal, a scheme to cement a political alliance or a design to unite two adjacent pieces of property. Eligibility was a matter of cash rather than charm, and the sums tended to be very large. The Earl of Rutland’s

<sup>1</sup> Sir Thomas More, *Utopia* (Everyman ed.), p. 57.

<sup>2</sup> Later the poor Lord was obliged by financial stress to reduce his retinue to 70. (Smyth, op. cit. II, 282, 285, 364.)

<sup>3</sup> A. Collins, *The Peerage of England* (1779), II, 171.

<sup>4</sup> H.M.C. Rutland MSS. IV, 296, 488.

<sup>5</sup> H.M.C. Salis. MSS. XIII, 137.

sister had £5000,<sup>1</sup> that of the Earl of Arundel £3000,<sup>2</sup> Lord Sandys's daughter the same,<sup>3</sup> while Lord Willoughby's three daughters were obliged to share £4000 between them.<sup>4</sup> Such huge cash payments were, however, apt to be far beyond the means of the impoverished nobleman, and not infrequently they were arranged as debts, interest upon the sum due being paid regularly to the bride's husband. Some on the other hand planned to make a profit by their progeny, raising daughters like stock-breeders to be sold to the highest bidder at the appropriate moment. Thus, Sir Arthur Gorges was much aggrieved that the Queen had interfered to prevent him selling his daughter for £6000. When she died soon after, he complained in the language of a speculative stud-farmer of his 'hard hap to have had all my labours either lopped or frost-bitten when the fruits thereof should have returned unto my comfort'.<sup>5</sup>

Such match-making methods did not make for subsequent domestic felicity. The Earls of Shrewsbury and Derby, Northumberland and Cumberland, Sussex and Pembroke, Lords Cobham and Zouche, were all estranged from their wives. The tale of sufferings at the hands of their husbands of the females of the house of Willoughby reads like a saga of persecution, their maltreatment ranging from isolation in a remote country house without means of transport save to church on Sundays, to forcible ejection by armed retainers accompanied by the breaking of doors and smashing of windows.<sup>6</sup>

Other women were more successful in taking the initiative. Husbands could on occasion be useful. The dowager Lady Russell, hard-pressed by law-suits, threatened her cousin Robert Cecil that 'I will take me to a mischief and marry to avoid the inconvenience of being killed by villains'.<sup>7</sup> Sir John Davis explained his impoverishment by the perennial fact that 'to give my wife contentment I lived at so high a rate as there was no possibility of saving anything'.<sup>8</sup> Clarendon's observation upon the Earl of Pembroke that he 'paid much too dear for his wife's fortune by taking her person into the bargain' was thus of more than individual application.

Finally, the extravagance of the aristocracy did not cease with death. Wasteful in their lifetime, in education and in dress, in hospitality and in sports, their death was but a fitting apex to a career of dissipation. The waste was not in the huge marble or alabaster monuments that they erected for themselves, like those with which the parvenu Dudleys, Leicester and Warwick, sullied the perfection of the Beauchamp Chapel. These tombs were relatively cheap. That in Westminster Abbey of Lady Frances Sidney, Countess of Sussex, cost a mere £200,<sup>9</sup> that of the Earl of

<sup>1</sup> Ibid. xi, 141.

<sup>2</sup> J. Strype, op. cit. iii, Appendix, p. 134.

<sup>3</sup> H.M.C. Salis. MSS. xiv, 94.

<sup>4</sup> Ibid. xiv, 189.

<sup>5</sup> Ibid. xi, 222. Cal. S.P. Dom. 1598-1601, p. 479.

<sup>6</sup> H.M.C. Middleton MSS. passim.

<sup>7</sup> H.M.C. Salis. MSS. ix, 339.

<sup>8</sup> Ibid. xi, 421.

<sup>9</sup> Arthur Collins, *Sidney Papers* (1746), I, 80.

Rutland at Bottesford, £150.<sup>1</sup> What ran away with the money was the cost of the funerals. The Elizabethan age was one of an intense and exaggerated cult of heraldry. By the magnificence of the funeral procession, by the numbers of mourners dressed, at the expense of the deceased, in sober black, by the splendour of the quarterings and hatchments, emblazonings and heraldic banners borne aloft above the corpse—by such outward trappings was it hoped that the old hierarchic structure of society might be preserved.<sup>2</sup> The second Earl of Dorset was unique in thinking such pageantry to be a waste of money.<sup>3</sup> Even the prudent Burghley gave his wife a splendid funeral, though he salved his conscience afterwards by writing a letter to the Dean of St Paul's apologizing for such display of worldly pomp.<sup>4</sup>

The peak period for such follies was in the late 1580's and the 1590's, just at the time when the aristocracy as a class could least afford such vain ostentation. The second Marquis of Winchester could probably afford the £1000 he ordered in his will to be spent on his funeral at Basing. The £2000 spent on burying the first Earl of Pembroke in fitting style at St Paul's in 1570, could have meant nothing to his affluent heir.<sup>5</sup> But what of Robert, Earl of Leicester, interred at a cost of £3000 despite debts amounting to over £85,000;<sup>6</sup> or the bankrupt Walter, Earl of Essex, whose funeral, despite the poverty of the house of Devereux, nevertheless ran to £1122. 6s. 3d.;<sup>7</sup> or Robert Ratcliffe, Earl of Sussex, sinking rapidly beneath a burden of debts and mortgages, who was buried in state to the tune of £1629. 5s. 4d.?<sup>8</sup> The disease was contagious. A mere attorney in the Court of Wards, Robert Nowell, treated himself to a funeral costing £752.<sup>9</sup> The merchant prince, Sir Thomas Gresham went to his grave at the almost aristocratic expense of £800.<sup>10</sup>

Frequently, however, certain difficulties arose. The new Earl of Rutland in 1588 had to sell lands to pay for his father's burial.<sup>11</sup> Most improvident of all were the Sidneys. Sir Henry died burdened with debts in 1586, but the family drove yet further down the slope of bankruptcy by indulging

<sup>1</sup> H.M.C. Rutland MSS. iv, 512. Other examples are those of Lord Berkeley in 1532, £40 (Smyth, op. cit. ii, 244); Duke of Norfolk in 1522, £133. 6s. 8d. (Collins, *Peerage*, i, 79); Earl of Dorset, in 1609, under £300 (Ibid. ii, 191); Earl of Sussex in 1583, £292. 12s. 8d. (H. Walpole, *Anecdotes of Painting*, i, 160). By way of contrast that of Thomas Sutton, the greatest bloodsucker of the aristocracy, was made by Nicholas Stone in 1612 and cost £400. (Nichols, op. cit. iii, 30.)

<sup>2</sup> Descriptions of Elizabethan aristocratic funerals are to be found in B.M. Harleian MSS. 2129, and a printed account of that of the Earl of Derby in 1574 in Collins, op. cit. iii, 55–62.

<sup>3</sup> Cf. his will, printed Collins, op. cit. ii, 191.

<sup>4</sup> B.M. Lansd. MSS. 103/57.

<sup>5</sup> Collins, op. cit. i, 224; iii, 121.

<sup>6</sup> B.M. Harleian Charter, D 35.

<sup>7</sup> B.M. Lansd. MSS. 23/67.

<sup>8</sup> F. Blomfield, *History of Norfolk* (1805), i, 518; his widow's funeral some years later cost £1368 (op. cit.).

<sup>9</sup> A. B. Grosart, *Towneley Nowell MSS.* pp. 1–48.

<sup>10</sup> *Biographia Britannia*, p. 2388.

H.M.C. Rutland MSS. i, 241.

in obsequies that cost the phenomenal sum of £1570. 19s. 7d.<sup>1</sup> When Sir Philip Sidney was killed in Flanders a month or two later, he left absolutely nothing to pay for the funeral, to the despair of Sir Francis Walsingham who was left as the executor.<sup>2</sup> Here, indeed, arose a nice point of aristocratic honour. A humble funeral would be a disgrace to family and class. On the other hand, the wasting of what was left of the estate on splendid obsequies which thus involved a shameless breach of contract with the hungry creditors seemed, if not equally dishonourable, at least a regrettable decision to be forced to take. Fortunately, however, in the case of Sir Philip Sidney, the issue never arose. Although she was incensed that a favourite courtier should, silly fellow, go off and get knocked on the head in a scuffle,<sup>3</sup> the Queen nevertheless agreed to pay for Sir Philip's funeral. The impressive procession that wound its way to the Abbey was subsidized out of the royal exchequer.<sup>4</sup> But this example of royal generosity was repeated only in the case of Lord Hunsdon.<sup>5</sup> When the heirs of the Earl of Huntingdon, Lord President of the North, tried to persuade the Queen to pay for the funeral of such a loyal public servant, they met with an adamant refusal. While the vulgar squabble continued, the corpse lay rotting unburied at York for no less than four and a half months,<sup>6</sup> till eventually the family carried out the interment at a cost of £1400.<sup>7</sup>

Nothing provides a more striking and tragic contrast to the pomp and panoply of the last rites given to the politically successful, than the details of the funeral bill for Philip Howard, Earl of Arundel, the greatest nobleman in England. He was shuffled out of the world and into the graveyard at the Tower for a paltry £4. 13s. 4d., a warning to all papists and suspected traitors.<sup>8</sup> The squandering of one or more years' income upon a funeral procession was a privilege reserved for those upon whose prosperity and loyalty the regime depended for its existence.

### III

Though conspicuous waste in various forms was thus a primary drain on aristocratic income, it was by no means the only one. The cost of litigation must have run a close second. Any relatively primitive society but recently weaned from habits of violence, from the hereditary blood-feud and the

<sup>1</sup> B.M. Lansd. MSS. 50/88.

<sup>2</sup> B.M. Cotton. MSS. Galba C, x fol. 44.

<sup>3</sup> When Lord North asked for permission to go off to the wars a few years later, the Queen angrily replied: 'You will never leave till you are knock't on the head as that inconsiderate fellow Sidney was.' (Robert Naunton, *Fragmenta Regalia* (1641), p. 59.)

<sup>4</sup> Nichols, op. cit. II, 485-96.

<sup>5</sup> It cost £1097. 6s. 1d. and consumed 1232 yards of black cloth. (Lansd. MSS. 82/56.)

<sup>6</sup> H.M.C. Hastings MSS. II, 45.

<sup>7</sup> N. H. Bell, *Huntingdon Peerage* (1820). He died 14 December 1595 and was buried 28 April 1596.

<sup>8</sup> B.M. Lansd. MSS. 79/74

assertion of self-judged right by self-exerted might, is apt to throw itself with passion into the costly game of litigation. The Elizabethan nobleman thus turned from armed affrays in the countryside to 'wars in Westminster Hall'.<sup>1</sup> This growth of litigation during the late sixteenth century was accentuated by two special features. The speed with which land was changing hands at this period, combined with the inordinate complexities of land tenure, gave ample scope for the quirks and quiddities of lawyers. Secondly, there were certain very grave defects in the contemporary legal system. Despite the boastings of Coke, all was not well with the English Common Law. Still half-strangled by its ancient and obsolete procedure, it was further stultified by the parallel jurisdiction of the overlapping host of prerogative courts. The latter had by now ceased to serve their original purpose of applying swift and equitable justice, and had degenerated into vehicles for obstruction and chicanery, employed by unscrupulous legal experts. 'Seven several suits at law' for a single case were not unusual. A final decision could rarely be obtained in less than five years or more, while enforcement might take even longer. It was not accidental that the Elizabethan slang name for a highwayman or footpad was 'high lawyer'.<sup>2</sup> Fees rocketed: a writ of habeas corpus that cost 2s. 6d. in 1558 could not be had for less than 12s. in 1576. A supersedeas rose similarly from 1s. 6d. to 7s. 6d.<sup>3</sup> Proving a will might cost between two hundred and four hundred pounds.<sup>4</sup> The numbers called to the bar at Gray's and Lincoln's Inn rose by two-thirds between the last decade of the sixteenth and the third of the seventeenth centuries.<sup>5</sup> In 1621 it was declared that within living memory there had been only four attorneys for all the county of Lincolnshire where there were now over 200.<sup>6</sup>

The unfortunate aristocracy were the carrion upon which these vultures fed. At a time when one suit was 'sufficient to break the back of any reasonable man of wealth',<sup>7</sup> the nobility indulged recklessly in such luxuries. That the defendant might be bankrupt was not a deterrent. Few agreed with Sir Gervase Holles's philosophical acceptance of the fact that 'to sue a beggar was but to catch a lowse'.<sup>8</sup> In 1628, the Earl of Devonshire found himself burdened with no less than thirty lawsuits.<sup>9</sup> Henry Lord Berkeley became involved in a lawsuit with the Dudleys that lasted no less than thirty-eight years. On one occasion in the course of this prolonged struggle he spent £1800 in ten weeks. Apart from this tremendous suit with all its ramifications, this Lord was involved in more than forty-nine other cases in the course of his life, the majority of which were prosecuted in several courts and lasted many years.<sup>10</sup> The Earl of Hertford pursued a

<sup>1</sup> Birch, *op. cit.* I, 438.

<sup>2</sup> Robert Greene, *A Notable Discovery of Coosenage* (Bodley Head Quartos), p. 38.

<sup>3</sup> Ellis, *op. cit.* (3rd ser.), IV, 55.

<sup>4</sup> H.M.C. Rutland MSS. IV, 216; that of the Earl of Leicester cost £500 (Harleian Charters, D 35).

<sup>5</sup> R. H. Tawney, 'Rise of the Gentry', *Econ. Hist. Rev.* (1941), XI, 21.

<sup>6</sup> H.M.C. Rutland MSS. IV, 216.

<sup>7</sup> *Ibid.* IV, 215.

<sup>9</sup> Collins, *Peerage*, I, 326.

<sup>8</sup> A. C. Wood, *op. cit.* 122.

<sup>10</sup> J. Smyth, *op. cit.* II, 228-356.

feud with Lord Mounteagle that began in 1562 and was still dragging on through the courts thirty-two years later.<sup>1</sup> The Earl of Derby, Lady Russell, the Earl of Huntingdon and Lord Mountjoy all similarly beggared themselves in law-suits.<sup>2</sup> However untrue in the case of that wealthy aristocratic money-lender, the lament of Anne Countess of Warwick may nevertheless serve as the epitaph of her class: 'suits and troubles by law have emptied my purse and pulled down my estate'.<sup>3</sup>

#### IV

If ostentatious extravagance and needless litigation were the only two drains that emptied the aristocratic coffers, little sympathy would need to be expended on the financial troubles of the class. The third heavy call on the purse of the great was, however, of greater public utility: it was the service of the State. The Tudor administrative structure was built upon the principle of voluntary service; it operated through an unpaid bureaucracy. Royal centralization was extended to cover every branch of the national life. Economic and monetary policy, justice and administration, religion and morals, were all theoretically controlled from the centre. But if it was despotism, it was despotism on the cheap, despotism that relied entirely on the free assistance of a certain class. Mister Justice Shallow did not find himself out of pocket as the result of his official duties. But it was far otherwise with the greater officers and functionaries. Until necessity compelled the adoption of the solution of corruption and peculation which became generalized under King James, an Elizabethan nobleman accepted a responsible appointment at the risk of his family estate. Reliable estimates of the losses involved are impossible to come by since only the complaints of the aggrieved survive as witness of their misfortunes. How far their statements are to be trusted is often doubtful. It is unlikely that they failed to exaggerate for the sake of effect. But the long list of noble holders of responsible positions who died overwhelmed with debts is a cogent witness of the essential truth of their assertions. Soldiers and military commanders in Ireland or the Low Countries, administrators like the Lords President of the North or Wales, ambassadors and special envoys leading missions abroad, nobles entrusted with special tasks such as the guarding and entertaining of Mary Queen of Scots—all without exception found themselves impoverished by the very success of their careers. The ambassadors found themselves particularly hard pressed, for their allowances were woefully inadequate to pay the costs of travel<sup>4</sup> and of the lavish style of living and open hospitality expected of a representative of Her Majesty abroad. Not all were willing, like Sir Edward Stafford, to make up the difference by selling State secrets to the Spaniard. When Walsingham went on his mission to France in 1571, he returned £500 out of pocket. In 1587

<sup>1</sup> H.M.C. Salis. MSS. xiii, 517.

<sup>2</sup> Ibid. xii, 487; xi, 562; ix, 339; x, 126; iii, 275.

<sup>3</sup> Ibid. ix, 22.

<sup>4</sup> E.g. in 1591 it cost Sir Henry Unton £293 to move himself, his baggage, horses and attendants from London to Rouen. (Nichols, op. cit. iii, 87.)

the Earl of Derby had to borrow £1000 to equip himself for the special embassy to which he was nominated.<sup>1</sup> Lord Zouche found himself so beggared by two embassies to Scotland and Denmark that he was forced to sell his estates and retire temporarily from public life.<sup>2</sup> Some idea of the costs of such missions may be gained by the fact that a nine months' embassy in Germany in 1636 cost the Earl of Arundel over and above his diet of £6 a day, a sum that amounted to no less than £19,262.<sup>3</sup> It is not surprising therefore that orders to head an embassy produced something like panic among the unfortunate recipients. Lord Darcy begged desperately to be let off being sent on mission to Germany in view of the fact that his rental for the last forty years had remained constant at only £400 per annum.<sup>4</sup> Lord Eure, ordered to go to Bremen as Commissioner for trade negotiations with the Hansa in 1602, got Lord Burghley to testify that he could not even 'upon pawning a good piece of his land find £500 for the expense of this journey'.<sup>5</sup> Eventually, Robert Cecil himself was obliged to stand bond for £2000 advanced and transferred to Lord Eure's credit at Bremen by a suspicious merchant financier.<sup>6</sup> When Sir Richard Lee went on embassy to Sweden with forty or fifty in his train, he borrowed money for the journey from merchant financiers, on pawn of plate, jewels and furs. Retribution came when the merchants began dunning Sir Richard for their advances.<sup>7</sup>

Public servants at home fared no better. The Earl of Huntingdon claimed to have spent £20,000 over and above his allowance on public service as Lord President of the North.<sup>8</sup> Lord Sheffield declared that he spent £1000 per annum in excess of the allowance on the same office.<sup>9</sup> Sir William Fitzwilliam, Lord Deputy of Ireland, died a bankrupt, his lands extended for debt, and owing the Queen £1100.<sup>10</sup> The military fared even worse. There were little spoils to be picked out of the bogs of Ireland or the devastated countryside of France and the Low Countries. Sir Thomas Maria Wingfield had to beg an advance of pay to get himself across to Ireland in 1600. In 1603, his brother could describe himself with justice as 'a poor gentleman consumed and wasted in the wars'.<sup>11</sup> Sir Edward Denny mortgaged his house and let out his land on long leases in return for fines so as to raise £1300, which sum he spent first at sea with Lord Thomas Howard at Cadiz, and later in Ireland. There he died after seventeen years' service, leaving £1890 of debts and a widow and nine children without enough ready money to buy themselves mourning gowns.<sup>12</sup> Some pleas like that of George Touchet, 18th Baron Audley, for a grant of land in Ireland have a truly pathetic ring. In language befogged with sentiment, he explains how he wants the land 'to advance the ruins and downfall of an old and decayed house. . . . I have fought for it. I have lost

<sup>1</sup> J. Strype, *op. cit.* II, 104; B.M. Lansd. MSS. 53/66.

<sup>2</sup> H.M.C. Salis. MSS. XII, 157; cf. B.M. Lansd. MSS. 30/41.

<sup>3</sup> *Ibid.* I, 116.

<sup>4</sup> *Ibid.* XII, 4, 280.

<sup>5</sup> *Ibid.* XII, 537.

<sup>6</sup> *Ibid.* XII, 633, 677-8.

<sup>8</sup> *Ibid.* III, 275.

<sup>9</sup> *Ibid.* XVI, 396.

<sup>7</sup> *Ibid.* XVI, 74.

<sup>10</sup> *Ibid.* XVI, 160.

<sup>11</sup> *Ibid.* XV, 110; XVI, 110.

<sup>12</sup> *Ibid.* X, 59.

my blade and limbs and have been oftentimes like also to lose my life.'<sup>1</sup> Naval commanders found themselves in the same plight. Captures of East India carracks like the *Madre de Dios* or the sack of rich cities like Cadiz and Panama were rare enough. Rarer still was it that such loot sufficed to cover the cost of the investment. For war at sea was almost entirely a matter of private initiative. Speculators invested in the semi-piratical expeditions in the same way as they placed their money with the Turkey or Muscovy Company or sunk it in mining enterprises. Despite all the tales, accepted even by learned and well-informed contemporaries like Thomas Wilson or William Camden, of wealth beyond the dreams of avarice that poured into England from the privateering ventures of the 1580's and 1590's, there is not a single naval commander or speculator, not even Drake himself, who could claim to have made a great fortune by such means. Lord Thomas Howard spent £20,000 (£5000 of it on the Cadiz expedition), and got but little out of it.<sup>2</sup> Raleigh got even less. The most indefatigable pirate of them all—George, Earl of Cumberland—after fifteen years of financing expeditions against the Spaniard at a cost which he himself assessed at £100,000, at last found himself overwhelmed with debt. When the Queen refused to help him despite his services he announced in theatrical terms his intention of retiring into the country to reorganize his estates. 'My thoughts must turn from intercepting of Carracks to sowing of corn, from rigging ship to breeding sheep, and from honour to clownish cogitations.'<sup>3</sup>

More astonishing even than the impoverishment of the ordinary run in the mill diplomats, soldiers and sailors was the financial bankruptcy of the most favoured and most powerful servants of the State. The old Earl of Sussex, after years of faithful service in the Council, died in debt with a revenue of £450 and debts to the Queen to be paid off at a rate of £500 a year.<sup>4</sup> Sir Francis Walsingham died at the end of a long and highly successful career as Secretary of State, owing a total of £27,324, of which £12,016 was due to the Queen.<sup>5</sup> Sir Christopher Hatton, the cherished favourite of the Queen, died owning land worth £498 per annum and with debts to the Crown totalling the tremendous sum of £42,139. 5s. 0d. The Queen therefore seized the mansion in Hatton Gardens and took an annual toll of £300 out of the property as repayment. She also extracted £128. 6s. 6d. a year in wardship for the young heir and assigned odd parcels of the debt to her own creditors to extract from the widow as best they could.<sup>6</sup>

<sup>1</sup> Ibid. xvi, 52, 384.

<sup>2</sup> Thomas Birch, *Memoirs of the Reign of Queen Elizabeth* (1754), II, 115.

<sup>3</sup> H.M.C. Salis. MSS. x, 138, 234; cf. ibid. xii, 227, 321, 574. Nichols, op. cit. III, 496.

<sup>4</sup> H.M.C. Salis. MSS. xiii, 330, 349.

<sup>5</sup> Conyers Read, *Mr Secretary Walsingham*, III, 444.

<sup>6</sup> Sir N. H. Nicolas, *Memoirs of the Life and Times of Sir Christopher Hatton* (1847), p. 498; H.M.C. Salis. MSS. x, 429; vi, 305; Cotton. MSS. Galba D, xii, fol. 213. Robert Naunton tersely wrote Hatton's epitaph: 'he was a mere vegetable of the court that sprung up at night and sunk againe at his noone' (*Fragmenta Regalia*, p. 93).

Finally, there is the case of the Earl of Leicester. None of the Dudleys could be said to have been unaware of the importance of money. Indeed in three successive generations a Dudley managed to excite the comment of a grasping and avaricious society by the zeal and pertinacity with which he sought his own financial advantage. The Earl of Leicester was by no means the most backward of the family in this respect and his financial difficulties are in consequence the more significant. The accusation that the Queen wrecked the prospects of military success in the Low Countries from 1585-7 by her financial meanness has been rebutted on the grounds that the Earl refused to render accounts and was peculating what little money did arrive.<sup>1</sup> But the examination of Leicester's financial arrangements before setting out puts the matter in rather a different light. Besides selling off outlying estates and making a series of minor mortgages totalling £9000 the Earl undertook a financial obligation of the first magnitude. Working through Horatio Pallavicino, he raised a loan of £16,000 from some twenty-two leading City merchants on the security of a mortgage of the great 6767-acre estate that constituted the Barony of Denbigh.<sup>2</sup> When the Earl died four years later, the debt, risen by one year's interest to £17,600, was still owing.<sup>3</sup> In the rush for the spoils which followed, the Queen and merchants shared the Denbigh estate between them in satisfaction of their respective claims on the Earl's heirs. The merchants paid a nominal £8000 and the Queen £10,000 for full purchase of the whole estate.<sup>4</sup> This, however, was but a portion of the earl's expenditure on his military adventure in the Netherlands. After Leicester's death the Queen presented her bill to Sir Christopher Blount, who had married the widow. It ranged from two sums of £8000 and £5000 lent for additional troops of horse in 1586 and 1587 to petty sums due to the office of ordnance such as £16. 13s. 4d. for powder by bill 14 June 1587, or £17 for demilances drawn from the Tower during the Armada crisis on 13 August 1588.<sup>5</sup> Besides a total Royal debt set at £35,087. 2s. 3d., and the £17,600 due on the Denbigh mortgage, the Earl died owing no less than £33,515. 17s. 9d. to individuals.<sup>6</sup> Extravagant he undoubtedly was, but the greatest cause of his difficulties arose out of his speculation in the intervention in the Low Countries. So far from feathering his nest, he unquestionably lost heavily on the venture. If even the worst of the Dudleys ruined himself in pursuit of his ambition and in the service of the State, the plight of the less favoured and less grasping can easily be imagined.

Wasteful in dress and hospitality, reckless in litigation, their devotion to public service served to put the finishing touches to the impoverishment of the Elizabethan nobility.

<sup>1</sup> J. E. Neale, 'Elizabeth and the Netherlands, 1586-7', *E.H.R.* XLV, 373.

<sup>2</sup> S.P. Dom. Eliz. 182/49, 183/12, 16; Strype, *op. cit.* III, 498.

<sup>3</sup> B.M. Lansd. MSS. 61/81; Harleian Charters, D 35. Cal. S.P. Dom. Addit. 1580-1625, p. 208.

<sup>4</sup> H.M.C. Salis. MSS. IV, 182, and Burghley's somewhat incoherent 'notes scribbled on the back of B.M. Lansd. MSS. 62/70.

<sup>5</sup> P.R.O. Exchequer Kings Remembrancer, Decrees and Orders, 16/131, 17/429.

<sup>6</sup> See Appendix I.

## V

Turning from analysis of expenditure to examination of revenue, the starting-point must clearly be the increments from the land. The causes of the diminution of this source of income, price revolution and long leaseholds, administrative incompetence and the absentee landlord, have been analysed with too much brilliance and care by Professor Tawney to bear recapitulation. The pressure of the price revolution could be avoided only if leases were granted for periods of not more than seven years. But the chaotic nature of noble financial administration precluded any such efficiency. The pressure of excessive expenditure made the temptation of quick cash returns too great to be resisted. Large fines for leases for twenty-one years or more were therefore the norm. By the time the lease was up, the prudent tenant had made a fortune out of the difference between the old rent and crop prices that rose steadily under the inflationary pressure of the century. To the last, however, the Elizabethan nobleman persisted in this improvident solution of his temporary difficulties. The Earl of Arundel's estates were reported to be all in lease for many years.<sup>1</sup> By 1601, the Earl of Rutland's lands were without exception leased for twenty-one years.<sup>2</sup> When the Earl of Cumberland got into financial difficulties, he went north and bargained with his tenants for long leases in return for quick fines.<sup>3</sup> The result of the combination of the lax control of the absentee landlord, the corruption of the steward or bailiff and the ceaseless demand for ready cash at whatever the price, was an inefficiency of administration that had the most serious consequences. When Lord Cobham appointed an expert to reorganize his finances, he was told that his employees were cheating him right and left. The expert's plans for improving rentals ranged from a £36 increase on £134 a year to a £33 increase on £46.<sup>4</sup> When the Earl of Derby carried out a similar survey, the results were even more startling. One tenant had paid the Earl £1000 for a twenty-one-year lease of land and some woods. In eight years, he had made £2000 out of the woods and there were still £1000 worth left to be cut. As for the land, he paid the Earl a rent of £2 and sublet it for £70.<sup>5</sup> If some were thus incompetent, others were merely old-fashioned. Prices trebled in half a century, but Lord Darcy could still boast complacently 'I have lived as my father did before me, of the old rents of my land'.<sup>6</sup>

The majority were forced to adopt the heroic remedy for their necessities of the direct sale of land. 'A seller I have been all the days of my life', ruefully confessed Sir Fulke Greville.<sup>7</sup> By 1583, Sir Henry Sidney declared that he had left 'not so much ground as will feed a mutton'.<sup>8</sup> Some of the sales of the aristocracy were on a huge scale. In 1588, the Earl of Rutland 'divided two parts of his lands unto his executors for the payment of his

<sup>1</sup> H.M.C. Salis. MSS. xiii, 117.

<sup>2</sup> Ibid. xi, 141.

<sup>4</sup> Cal. S.P. Dom. 1598-1601, p. 515.

<sup>5</sup> H.M.C. Salis. MSS. xvi, 282, 303.

<sup>6</sup> Ibid. xi, 516.

<sup>3</sup> Ibid. xii, 321, 574.

<sup>7</sup> Ibid. xi, 433.

<sup>8</sup> S.P. Dom. Eliz. 159/1.

debts'.<sup>1</sup> The Earl of Oxford 'set his patrimony flying' selling manors, woods and lands by the score.<sup>2</sup> The Earl of Northumberland liquidated all his property in Kent.<sup>3</sup> The Marquis of Winchester sold up the Paulet property in Devon and Cornwall.<sup>4</sup> The Earl of Bedford tried to realize on Woburn and Covent Garden.<sup>5</sup> In 1599, the Earl of Derby planned to settle his estate by raising £30,000 from the sale of land.<sup>6</sup> Lord Berkeley actually received £41,000 in half a century by the same expedient.<sup>7</sup> It is thus not surprising that a sample survey of 3300 Midland manors should show an absolute decline in aristocratic land ownership by 47% over the years 1561-1641.<sup>8</sup>

It has been suggested that an important result of the English Reformation was the transference of valuable mining land from the monks to the new pushful Tudor aristocracy, that upon coal and iron, copper and zinc, alum and copperas, were based the fortunes of many an Elizabethan house.<sup>9</sup> The evidence is, however, by no means so categorical. Metallurgy, indeed, was a profitable field for investment and those like the Sidneys who possessed lands in the Weald of Kent were not slow to develop the mills and bloomeries, forges and furnaces of the sixteenth-century ironworks.<sup>10</sup> The profits, however, were not excessive. The Sidneys continued to spend far above any income the Robertsbridge works might afford. With some exceptions, mining was almost always unprofitable in the Elizabethan period. The reason for this at first sight surprising phenomenon was the rapid exhaustion of the surface seams. Continually rising demand compelled the driving of ever deeper shafts. Sixteenth-century engineering was, however, incapable of solving the consequent problem of an adequate pumping system to drain the pits. The overheads rose abruptly as more and more capital was poured into the enterprises. The general impression of late sixteenth-century mining in England is similar to that prevailing two centuries later, when an identical crisis was solved by the introduction of the Boulton and Watt steam-engine. By the turn of the century, coal-mines tended to become 'so greatly wrought that they are grown so deep and drowned with water as not to be recovered without extreme charges'.<sup>11</sup> All the capital resources, business enterprise, and technical machinery of Bevis Bulmer were insufficient to hold back the waters in the Mendip

<sup>1</sup> H.M.C. Rutland MSS. I, 261.

<sup>2</sup> For the list of twenty-five manors sold, see Strype, op. cit. III, 589, Appendix no. 17.

<sup>3</sup> Collins, op. cit. II, 370, 406.

<sup>4</sup> H.M.C. Salis. XI, 584.

<sup>5</sup> G. Scott-Thompson, *Life in a Noble Household*, p. 17.

<sup>6</sup> H.M.C. Salis. MSS. IX, 405.

<sup>7</sup> He sold thirty-two of his fifty-eight manors, from which sales he drew 19% of his average total income from 1561 to 1611. (J. Smyth, op. cit. II, pp. 356-61, 259-61, 373, 409.)

<sup>8</sup> R. H. Tawney, *Rise of the Gentry*, pp. 35-6.

<sup>9</sup> H. R. Trevor-Roper, 'The Bishopric of Durham and the Capitalist Reformation', *Durham University Journal*, March 1946, p. 46.

<sup>10</sup> H.M.C. Lisle and Dudley MSS. I, 305-21.

<sup>11</sup> H.M.C. Salis. MSS. XIV, 331.

lead-mines.<sup>1</sup> The greatest contemporary mining enterprise, the Mines Royal, working Cumberland copper, only kept itself afloat by Government subsidies. The shareholders suffered a steady loss and the report on half a century's activity proved that it had never showed a profit.<sup>2</sup> The records of the Woolaton coal-mines worked on their estates by the Willoughbys show overheads increasing far more rapidly than profits, while their economic venture at Middleton showed an equally heavy investment.<sup>3</sup> If the Newcastle Hostmen waxed fat on profits from coal, it is probable that their wealth derived more from their vigorously defended monopoly of distribution than mining receipts proper.<sup>4</sup> If the Earl of Sheffield tried to obtain land from the Earl of Huntingdon 'being instantly to proceed in a coal-mine',<sup>5</sup> if Sir John Manners worked a mine at Haddon,<sup>6</sup> there is no evidence that either made a fortune by their ventures. It is certain that Lord Mountjoy and the Earl of Huntingdon both invested huge sums for no return in futile prospecting for alum.<sup>7</sup> Only the Earl of Shrewsbury managed certainly to derive a substantial income from mining. Derbyshire lead went far to support both the splendid establishment at Hardwicke and the costly quarrel kept up with his redoubtable wife and the brothers Cavendish.<sup>8</sup>

More reliable by far as a source of income than speculation and costly mining enterprises, was the moneylender. Heavy borrowing as a means of anticipating revenue was the rule, not the exception, among the Elizabethan aristocracy. Caught in the legal toils so carefully laid by their creditors the great aristocratic leviathans plunged and floundered, sinking ever deeper with each year into the mire of debts and mortgages and living in perpetual terror of lawyers and of bailiffs. There were of course some like John Killigrew who openly defied such officers. Safely entrenched in Pendennis Castle, he ignored the law and laughed at his creditors when they dunned him for their £11,000. He rode abroad with a private body-guard of armed ruffians who informed enterprising bailiffs in the terse colloquialism of the time that 'yf they did assault theym, they shold buy it'.<sup>9</sup> The majority, however, inhabiting more law-abiding areas than Cornwall, were at the mercy of their creditors and the law.

<sup>1</sup> H. M. Robertson, 'Sir Bevis Bulmer', *Journal of Economic and Business History*, IV, 102.

<sup>2</sup> Report by Popham in 1602 (H.M.C. Salis. MSS. XII, 145); cf. W. R. Scott, *Joint Stock Companies to 1720* (Cambridge, 1910-12), vol. II.

<sup>3</sup> H.M.C. Middleton MSS. 314-16, 416, 555, 169. In 1537-8 profits were £405 on an investment of a mere £72; in 1576-8 total receipts appear to have averaged only £413.

<sup>4</sup> This opinion is also held by Professor J. U. Nef, 'The Dominance of the Trader in the English Coal Industry in the XVII Century', *Journal of Economic and Business History*, I, 422-33.

<sup>5</sup> H.M.C. Hastings MSS. II, 41.

<sup>6</sup> H.M.C. Rutland MSS. I, 415.

<sup>7</sup> R. B. Turton, *The Alum Farm*, S.P. Dom. Eliz. 244/109.

<sup>8</sup> Lead production expanded so rapidly that between 1558 and 1600 the price actually fell from £8 to £7. 10s. a fodder (200 lb.), despite the general price rise of up to 300%. (B.M. Lansd. MSS. 76/51.) (B.M. Harleian MSS. 1878/62.)

<sup>9</sup> B.M. Lansd. MSS. 59/18.

One class of creditor, the unpaid tradesmen, mercers, haberdashers and brewers, are more to be pitied than condemned. They are the gulls and the nobility, for once, the coney-catchers. The only remarkable feature of this group is the facility with which they appear to have allowed their bankrupt clients to run up their bills. In 1585, the Earl of Arundel owed £1023. 7s. 6d. to forty-two tradesmen and £781. 1s. 5d. to fifty victuallers and provision merchants.<sup>1</sup> The Earl of Leicester appears not to have paid a single bill, however small, for years.<sup>2</sup>

Of far greater importance to the aristocracy than the running up of tradesmen's bills, was dependence upon the credit resources of the great financial magnate, the full emergence of whom as a prominent social figure, occurred in the 1590's. Three forms of security were commonly employed. Firstly, the nobility could borrow on bonds of Statute Merchant, these bonds being officially registered in the office of the Clerk of Recognisances.<sup>3</sup> The bulk of the lenders were city magnates, Aldermen and members of the principal London Guilds, who were prepared to invest their fluid capital in this form of banking enterprise. Goldsmiths were prominent but by no means in the first rank of importance. Scriveners, so often credited with a leading role in the origins of banking, played in fact scarcely any part at all. On the other hand, gentlemen from the Inns of Court were extremely active, though this description is virtually without any class or professional significance. The Recognisances do not, however, form by any means a complete picture of the London money market. Some of the greatest borrowers, and some of the greatest lenders each found it prudent to conceal their activities from the publicity involved in the registration of the Statutes Merchant. Thus two of the largest borrowers, the Earls of Rutland and Essex, kept their names scrupulously clear of the official entry book. So did the great financiers, Horatio Pallavicino, Lionel Cranfield and Arthur Ingram. This form of money-lending was frequently a form of speculation upon the bankruptcy of the borrower. Profits arose from the certainty of the inability of the borrower to repay on the agreed date. Not infrequently, the recognisance was made out for as much as

<sup>1</sup> See Appendix II.

<sup>2</sup> B.M. Harleian Charters, D 35.

<sup>3</sup> P.R.O. Lord Chamberlain's Office, Recognisances for Debt, Rolls and Entry Books. I am indebted to Mr H. R. Trevor-Roper for calling my attention to this form of evidence. By no means all types of debts are thus registered, and it is not certain that even those by Statute Merchant are all included. There was only one office, in London, and the Recognisances thus chiefly reflect the money market of the capital alone. Certain debtors and certain creditors preferred to keep their transactions from prying governmental eyes. Mortgages of course are not included. Yet in many cases a very complete picture may be obtained of the borrowings and lendings of many of the most prominent figures of the age, at any rate for the period 1590 to the mid-1630's, when the yearly number of recognisances enrolled was very large. Before and after these dates they drop away sharply in bulk. In the margin of the entry books is recorded the date on which the recognisance was officially cancelled either by repayment of the debt, or 'capta in rure' (meaning presumably the surrender of land to the creditor). For well over half the entries, however, there is no record of cancellation at all.

80 or 100 % over and above the actual cash advance.<sup>1</sup> The ease with which this method of lending could be employed to defeat the provisions of the Statute of Usury was doubtless the reason for its great popularity. Legal prosecution for extortion was impossible over a contract which in theory took the form of a gamble, and in which there was no mention of a rate of interest.

The second type of loan took the form of pawnbroking on a grand scale, carried on principally by jewellers and goldsmiths on pledges of plate and jewels. The Earl of Leicester paid off some of his debt to the Queen by the surrender of £3000 worth of plate.<sup>2</sup> Sir Edward Hastings in 1599 was living on the proceeds of his wife's jewels.<sup>3</sup> The plate of Sir Walter Raleigh was 'eaten out with interest att on Chenies in Lumbard Street'.<sup>4</sup> Worse still was the case of Lord Vaux of Harrowden, 'the unfortunate peere of Parliament for povertie that ever was', who found himself unable to take his place in the House of Lords, having pawned his Parliament robes to a recalcitrant Londoner who refused to hire them back to their owner for a few days, even at a high rate of interest. Unable to pay the principal, the noble Lord was forced to keep to his lodgings being too 'raggedlie suted and clothed' to dare show himself in public.<sup>5</sup>

But the third and by far the most widely practised type of loan was upon mortgage of lands. It was all very well for the Earl of Essex—of all people—to assert: 'I am in conscience persuaded that the bonds of noblemen . . . are more safe than those of ordinary merchants who grow bankrupt every year.'<sup>6</sup> Such was not the opinion of the hard-faced financiers upon whose advances the nobility were obliged to subsist. Land was the most sure and most prized of all securities. It was real and eternal. More important still, it was the *sine qua non* of social ascent, the acquisition of which could swiftly transform a vulgar city business man, still stinking of the counting house, into one of the gentry, a respectable and respected member of the upper class society that provided the rulers of Elizabethan England. The mortgaging of property was therefore the most commonly employed and probably the most improvident of all the ways in which the nobility sought to increase their immediate cash resources. Thanks to the obstinate insistence of their creditors, it was land rather than jewels or

<sup>1</sup> Thus Lord William Howard gave Thomas Sutton recognisances for £4000 in return for a loan of £2310. 5s. and £8000 for £4591. 19s. 4d. (op. cit. 195/251, 284). An extreme case is that of Henry Brooke, Lord Cobham's brother, who borrowed £100 off one William Wright, giving him a bond for £200. Unable to meet this obligation at the appointed time, he borrowed £200 to repay Wright from another moneylender, giving the latter a bond for £300 in return for this new loan. Thus in just over a year, his original £100 loan had involved him in a £300 debt—the equivalent of 200 % interest. (H.M.C. Salis. MSS. iv, 49.)

<sup>2</sup> Ellis, op. cit. (3rd ser.), iv, 75-9.

<sup>3</sup> H.M.C. Salis. ix, 53.

<sup>4</sup> E. Edwards, *Life of Raleigh* (1868), II, 299. Other examples are Sir Henry Neville (H.M.C. Salis. MSS. xi, 300); Sir Fulke Greville (B.M. Lansd. MSS. 88/61-2); and the Earl of Shrewsbury (College of Arms, Talbot Papers, H and G, *passim*).

<sup>5</sup> B.M. Lansd. MSS. 73/26.

<sup>6</sup> H.M.C. Salis. MSS. vii, 196.

bonds that was their most easily realizable asset. Ancestral estates were thus sacrificed on the altar of day-to-day prodigality. Non-payment meant foreclosure and the loss of property far in excess of the value of the loan. The Earl of Norfolk mortgaged demesnes worth £53. 6s. 8d. per annum for a loan of £100.<sup>1</sup> John Killigrew found himself about to lose one estate worth £600 a year for non-payment of £500, and another worth £400 a year for non-payment of £300.<sup>2</sup> Lord Cobham prepared to mortgage land he valued at £5000 to raise a loan of £600.<sup>3</sup> Robert Milner complained that he was about to lose land worth £12,000 per annum for non-payment of a debt of £4000.<sup>4</sup> The harshness of this form of lending depended on the time allowed for redemption of the mortgage. As aristocratic needs and creditors' rapacity increased, so the period of grace tended to shorten to a matter of months.<sup>5</sup>

There were, however, far lower circles in the aristocratic inferno than these. Some reached the point where their jewels and plate were all in pawn, their lands all mortgaged, their credit entirely exhausted. The first necessity when this stage was reached was retirement from the expensive lottery of the court. The Earl of Worcester blessed with 'so small a revenue and so many children' (including four marriageable daughters), announced that he had 'adopted country life, being the only means to repair my estate'.<sup>6</sup> Others sought pastures new across the seas. The Earl of Sussex begged for a military command abroad rather than 'live in a miserable povertye at hoame'.<sup>7</sup> Sir William Cornwallis angled for the post of consul at Venice. This request was made, he was careful to point out to the prudish Cecil, not with a view to 'service unto Venus' with the famous courtesans of the Rialto, but rather 'in my absence to restore and recover my estate which is shrunk and shaken with so many years service to a prince utterly without reward'.<sup>8</sup> Not a few like Lord Arundel of Wardour went off to Hungary to fight the Turk. Sir Francis Verney adopted the heroic expedient of turning Barbary pirate at Algiers.<sup>9</sup>

Yet others clung on at home by various means. Lord Berkeley went to live with his mother-in-law as paying guest at 10s. a week.<sup>10</sup> Sir John Harrington made judicious presents of his newly invented water-closet and waited in eager anticipation for rewards from grateful recipients of his so 'commodious and necessary' sanitary device.<sup>11</sup> Some hard-pressed west country gentry discovered how to improve their revenues and demonstrate their patriotism at one and the same time. From among their copyholders they organized ill-equipped and unfinanced volunteer levies to go off to

<sup>1</sup> Ibid. I, 527.

<sup>2</sup> Ibid. VIII, 191.

<sup>3</sup> Ibid. XI, 582.

<sup>4</sup> Ibid. XII, 54.

<sup>5</sup> E.g. the case of the Dowager Marchioness of Winchester in 1600. (Bodleian Library, Tanner MSS. 283/7, 115/14.)

<sup>6</sup> H.M.C. Salis. MSS. VII, 267; XII, 43; XIII, 427; XIV, 270. S.P. Dom. Eliz. 243/66. It was the successful disposal of two of the daughters in 1596 that Spenser celebrated in his *Prothalamion*.

<sup>7</sup> B.M. Lansd. MSS. 84/72.

<sup>8</sup> H.M.C. Salis. MSS. XV, 176.

<sup>9</sup> *Verney Papers* (Camden Soc. 1852), p. 95.

<sup>10</sup> Smyth, op. cit. II, 284.

<sup>11</sup> H.M.C. Salis. MSS. XII, 199.

the wars. Starvation, disease and the enemy effectively removed the majority, upon which large fines were levied for re-entry into the copyhold of the deceased.<sup>1</sup> Sir Edward Stradling kidnapped the heiress of one Gamage and incarcerated her under lock and key in his house, planning a forcible marriage and the seizure of her lands when she came of age.<sup>2</sup> Sir Antony Ashley, thwarted of the priceless jewels he had smuggled back from Cadiz, offered Cecil £1000 if he would give him the wardship of some rich lunatic.<sup>3</sup> If not so standard a recourse as in the days of James, the marriage of an heiress was already in the 90's beginning to be a possible solution. The first of such marriages was made by Frances Howard, daughter of Viscount Bindon, to Henry Pranel, the son of a London vintner. But the indignation of Lord Burghley at her *mésalliance* and the manner in which her second husband, the Earl of Hertford, would taunt her with her mean associations,<sup>4</sup> are evidence that the prevailing temper of the age was still opposed to such socially drastic measures. All the same Lord Stafford fished for the only daughter of 'a riche Citizen...to be maryed unto my sonne'.<sup>5</sup> Francis Bacon asked for a knighthood to increase his prestige in the eyes of 'an aldermans daughter, a handsome maid to my liking'.<sup>6</sup> But not all such bargains turned out according to plan. John Kingston publicly announced his intentions: 'Body of our Lord! I will go marry this olde widdow and pay my debts. Then when I have buried her I will marry a young wench and get children'. But alas, 'shee deceived him in part for shee held him tug above 38 yeares and lived near 12 yeares after him'.<sup>7</sup>

Lastly, there were those whom all these expedients failed to relieve. Ancient pedigree was then no protection from the humiliations of the indigent. Sir George Peckham, nearest relative to the Earl of Southampton, was one of these unfortunates. His lands were distrained for debt in 1583, after which he sponged successfully upon his friends in the south of England for three years. He moved reluctantly from country house to country house, outstaying his welcome until ejected brutally from manor and from grange by his exasperated friends. He then tried the North where he managed to impose himself upon his acquaintances for about a year. But unable even to pay for his food, Sir George, his wife and child in December 1587 finally found themselves at the end of their tether; 'whear to hide my head in good faythe I do not know', declared the old knight; his clothes he admitted were 'more like the ragges of some Roge than the garments of a gentleman'.<sup>8</sup> The Elizabethan shore was littered with nameless graves of many others like Sir George, the obstinate jetsam thrown up by the flood-tide of social transformation.

<sup>1</sup> Ibid. iv, 4.

<sup>2</sup> Strype, op. cit. iii, 275.

<sup>3</sup> H.M.C. Salis. MSS. vii, 4.

<sup>4</sup> Ellis, op. cit. (3rd ser.), iv, 91.

<sup>5</sup> B.M. Lansd. MSS. 68/20.

<sup>6</sup> J. Spedding, *Works of Francis Bacon* (1865), *Life and Letters*, iii, 80.

<sup>7</sup> Wood, op. cit. p. 215.

<sup>8</sup> B.M. Lansd. MSS. 61/80.

## VI

The greatest of all the sources of aristocratic revenue still remains to be discussed. Greater even than the income from ancestral property was that to be anticipated from the impropriated parsonages and appropriated tithes, episcopal manors and escheated demesnes, royal forests and monastic woods, patents and perquisites, sinecures and offices that were at the disposal of the Queen as rewards for her courtiers and favourites. The court was a vast gambling saloon where punters played for the highest stakes. The losses have already been examined; the gains must now be described. The magnetism exerted by the Elizabethan court can only be realized when the importance of this casual source of income is set in its true proportions. The court was not merely the source of both political power and social pre-eminence, it was potentially the only means of seeking fortune still open to a class that persisted in despising the humdrum activities of the merchant and tradesman. The bankrupt younger son of the Elizabethan peerage might take to the sea as a pirate, to the land as a soldier of fortune. But he scorned to go into the city. That crucial transformation in social custom still lay in the future. Begging and wheedling on the other hand were perfectly honourable. 'Necessity knows no law and forgets blushing', brazenly proclaimed that perfect courtier and gentleman Sir Philip Sidney.<sup>1</sup>

The official attitude towards the aristocracy throughout the Elizabethan period remained friendly and protective. The social hierarchy ought to be preserved. It might at first sight seem strange that Lord Burghley, so plainly a member of the new *bourgeoisie*, should be concerned with the preservation of class distinction. But no such doubts or hesitations had room to flourish in the mind of one who took pains to trace his genealogy either from Owen Whyte, who 'came with Harold that was Earl Godwins son out of Cornwall', or from a Sitsilt already noteworthy in 1091.<sup>2</sup> The Government attitude is well reflected in the preambles of proclamations which so regularly complained of the 'indecent and disorderly confusion among all sorts and degrees of men (a very mean and base person taking to himself that which belongeth to men of the best sort and condition) as is very unseemly and unmeet in a well governed State'.<sup>3</sup> Burghley had deserved the eulogium that 'by occasion of his office he hath preserved many great houses from Overthrow by relieving sundry extremities'.<sup>4</sup> As for Elizabeth herself, it was observed that 'a concurrence of old blood with fidelity was a mixture which ever sorted with the queen's nature'.<sup>5</sup>

The Crown could not merely make, it could also break. By its control of Wardship and Livery it held the fortunes of the aristocracy in the hollow of its hand. By the sixteenth century, wardship had degenerated into

<sup>1</sup> Sir N. H. Nicolas, *Life of Sir Christopher Hatton* (1847), p. 211.

<sup>2</sup> H.M.C. Salis. MSS. XIII, 198, 397; XIV, 75-6.

<sup>3</sup> H. Dyson, *Proclamations of Queen Elizabeth*, p. 376; 21 Dec. 1600.

<sup>4</sup> Strype, *op. cit.* III, Appendix, p. 204.

<sup>5</sup> Naunton, *Fragmenta Regalia*, p. 149.

a corrupt and archaic form of taxation upon the great, to be used with the destructive efficacy of a twentieth-century death duty or the facile laxity of a Tudor subsidy.<sup>1</sup> The Cecils, successively Masters of the Court of Wards for nearly half a century were the arbiters of fate for all the ancient landed families of England. A ward was bought and sold, given and exchanged, like a piece of property.<sup>2</sup> One of the favourite requests of a greedy courtier was for the grant of a ward, while on the other hand the family naturally strained every nerve to avert such a financial disaster. Thus the possession of Sir Arthur Gorge's daughter Ambrosia was bitterly fought over by ambitious rivals. The Queen received jewellery worth £500 from one; Sir Robert Cecil was offered yet greater rewards from another.<sup>3</sup> A decision one way or the other could be decisive for ruin or reprieve of the family fortunes. The wardship could be sold back to the keeping of the widow for a nominal sum. Or it could be kept by the Crown, together with one-third of the revenues of the estate until the heir reached majority, when a substantial fine could be extorted for suing of livery. The sums involved in these transactions were often very large. Thus the young Earl of Oxford, who was not unkindly treated, paid £2000 for wardship and a fine of £1257. 18s. for livery.<sup>4</sup> In 1555, Lord Berkeley paid £840. 1s. 7d. as a fine for livery on property valued at £1714. 9s. 3d. per annum.<sup>5</sup> In 1585, the Court of Wards demanded £609. 19s. 2d. for annual wardship of the Earl of Bedford.<sup>6</sup> Another stranglehold that the Crown exerted over the aristocracy was by the granting or withholding of credit. No survey of sixteenth-century moneylenders is complete that does not include the Crown within its scope. By forbearance or insistence on repayment of these debts it could manipulate the fortunes of the nobility at will. Debts to the Crown were accumulated by various means. By non-payment of fine for wardship; by deficits on accounts rendered by financial officers and revenue collectors, such as Treasurers at War, Wardens of the Cinque Ports, Lords Deputy of Ireland and other similar functionaries; or by defalcation in the returns of patentees and customs farmers. Thus, Walsingham's debt of £12,000 was composed of sums due from the farming of the customs of the outports, the revenues of the Duchy of Cornwall, and a licence to export wool.<sup>7</sup> The Earl of Leicester was debited for sums owing from rents of leases of Crown lands and from accounts rendered as the Captain General of the English forces in the Netherlands in 1585-7 and as General of the Camp at Tilbury in 1588.<sup>8</sup> A casually collected list of

<sup>1</sup> Cf. the complaints in Parliament in 1604. (H.M.C. Salis. xvi, 143.)

<sup>2</sup> For example, Robert Cecil could casually observe in private business correspondence: 'For the C li I will find a ward to pay it.' (B.M. Lansd. MSS. 88/52.) On the other hand, Professor Tawney informs me that he has come across cases in which peers were also extracting savage fines for wardship from their tenants. But there is no statistical evidence available as to their success in thus passing on these burdens.

<sup>3</sup> Collins, *Sidney Papers*, II, 193; H.M.C. Salis. MSS. xv, 276.

<sup>4</sup> H.M.C. Salis. MSS. xiii, 104.

<sup>5</sup> Smyth, *op. cit.* II, 261-2.

<sup>6</sup> B.M. Lansd. MSS. 45/81.

<sup>7</sup> Conyers Read, *op. cit.* III, 444.

<sup>8</sup> P.R.O. Exchequer, Kings Remembrancer, Decrees and Orders, 17/429.

debts to the Crown from the nobility during the latter years of Elizabeth provides overwhelming evidence of the dependence of the majority of this class upon the tolerance and charity of the Crown.<sup>1</sup>

Things far more positive than mere abstention from extortion over wardship or forbearance over prolongation of debts were, however, to be expected from attendance on the Queen. Not everyone could expect the golden shower assessed at £300,000 that rained down upon the Earl of Essex during the eleven years of his ascendancy over the Queen's heart.<sup>2</sup> Everyone, however, thought himself not unlikely to obtain pickings of one sort or another. The pork barrel supposedly contained an almost limitless quantity of offices and patents, from the Rangership of a forest to a licence to import pins. Upon such perquisites as these, rather than upon revenue from land, depended the majority of the officers of state. Lord Burghley might in twenty-one years succeed in acquiring manors, the bare catalogue of which covers no less than six pages;<sup>3</sup> the majority were not so fortunate. Statistics are lacking on the relative share of lands and offices in the composition of the revenues of the greatest nobles. Examples from the gentry are nevertheless instructive. Lord Hunsdon derived £366 from lands and £1781 from offices.<sup>4</sup> Sir Fulke Greville £2512 from land and £1550 from offices.<sup>5</sup> Sir Walter Raleigh, £295 from lands and £3000 from offices.<sup>6</sup> For great courtiers like Leicester and Essex the proportions probably approximated to those of Sir Walter Raleigh.

These offices and patents that were the life-blood of the courtier were of the most diverse character. For example in the four years 1585-9, Sir Walter Raleigh was granted a patent for customs on export of overlengths of cloth at a rent to the Crown of £700. Out of this he was said to have made nearly £4000 in London alone. He was appointed Steward of the Duchy of Cornwall. He acquired the attainted property of the traitor Anthony Babington; and he was given a licence for the export of 5000 broadcloths which he could sell for a considerable sum to the Merchant Adventurers. The Earl of Warwick over the same period acquired a twelve-year monopoly of trade to Barbary by which he could levy blackmail on all merchants trading thither; he was given the wardship of young Edward, Earl of Bedford; and he was made Chamberlain of North Wales and the Honour of Grafton. The Earl of Leicester absorbed land worth £700 per annum—£500 resumed from bishoprics, £200 confiscated from traitors.<sup>7</sup> Ten years later the Earl of Oxford was trying to restore the ancient fortunes of the de Veres by angling for a state monopoly of tin distribution, with himself as managing director.<sup>8</sup> Thus it will be observed from these

<sup>1</sup> See Appendix III.

<sup>2</sup> Cal. S.P. Dom. 1598-1601, pp. 554, 583.

<sup>3</sup> H.M.C. Salis. MSS. XIII, 288.

<sup>4</sup> Ibid. VI, 304.

<sup>5</sup> H.M.C. Cowper MSS. I, 67.

<sup>6</sup> E. Edwards, *Life of Raleigh* (1868), II, 293.

<sup>7</sup> W. Murdin, *State Papers... left by Lord Burghley* (1759), pp. 782, 783, 785, 788, 790. He was making £771. 3s. 4½d. p.a. on the Sweet Wine Farm. (F. C. Dietz, 'Elizabethan Customs Administration', *E.H.R.* XLV, 44-5.)

<sup>8</sup> H.M.C. Salis. MSS. VIII, passim; IX, 220.

examples that the generosity of the Queen was largely restricted to gifts conferred at the expense of others. The patents and monopolies, whether commercial or industrial, were a means of rewarding a courtier or underpropping an ancient house, the costs of which were in fact to be met by merchants or consumers. The profits of office were to be derived in the main from the opportunities provided for corruption and extortion rather than the value of the salaries they carried with them. Such lands as were conferred were mostly the property of traitors or bishops.

The clergy indeed were every man's meat. Summing up the impact of the reign upon the clergy, Thomas Wilson concluded 'to say the Truth, their winges are well clypt of late by Courtiers and noblemen and some quite cutt away, both fether flesh and bone'.<sup>1</sup> Such amputation tended to be painful, and the anguished shrieks of the dissected clergymen echoed shrill but unattended throughout Elizabethan England. As Bishop Cox of Ely pointed out, the procedure smacked all too clearly of the double-cross. Was this to be the bishops' reward for their support during the 1530's and 1540's for the liquidation of monastic property which 'had rescued abundance of the English from Beggary and enriched others with wealth and others advanced to honour'?<sup>2</sup> But what could the good bishop expect when, as Archbishop Sandys himself admitted, 'The Ministers of the Word, the messengers of Christ... are esteemed *tamquam excrementa mundi*'?<sup>3</sup> It was no good. When the summons for surrender came the majority of the bishops, for all their squeals of dismay, nevertheless gave in without undue obstinacy. They sighed as lovers of episcopal property, they obeyed as sons of the Supreme Governor.

The first to go were the huge town houses of the bishops, ranged in serried ranks between their gatehouses on the Strand, and their watergates beside the river, in whose suites of splendid apartments took place most of the high political and social activity of Elizabethan London. No less than twelve of these great palaces passed into the hands of the new Tudor aristocracy during the first half-century that succeeded the Reformation.<sup>4</sup> With the accession of Elizabeth the bishoprics entered upon a period of unobtrusive but none the less effective robbery. Translation to a more profitable and more honourable see was normally made conditional upon selling of leases at nominal rent to the Crown or to some necessitous courtier.<sup>5</sup> Another favourite device was the maintenance of the bishops in a state of perpetual circulation, the Crown thus reaping rich rewards in first-fruits. In the financial crises of 1575 and 1595 an episcopal general post was suggested as a means of raising ready money.<sup>6</sup> So outrageous a scheme was in fact shelved, but the speed of circulation of the bishops

<sup>1</sup> T. Wilson, op. cit. p. 23.

<sup>2</sup> Strype, op. cit. II, 361.

<sup>3</sup> Strype, op. cit. III, 551, 556.

<sup>4</sup> Strype, op. cit. II, 242, 338, 360; III, 551. E. Edwards, *Life of Raleigh* (1868), II, 262-6; A. Collins, *Peerage*, VII, 6; C. L. Kingsford, 'Essex House', *Archaeologia*, LXXIII, 1-54.

<sup>5</sup> E.g. H.M.C. Salis. MSS. X, 120; XIV, 115.

<sup>6</sup> B.M. Lansd. MSS. 21/20; J. Strype, *Annals* (1824), IV, Appendix, nos. 180-1.

noticeably quickened after 1575, till some began to show a perhaps not altogether surprising coyness and modesty when offered the prospects of promotion.<sup>1</sup>

The Earl of Leicester, as befitted the traditions of the Dudleys, was in favour of the more drastic methods. To pay for his expedition to the Low Countries, he first revived his father's wholesale nationalization projects and then proffered a less revolutionary suggestion that he should be given £1200 a year to be taken from the bishoprics of Durham, Ely, Oxford and Bristol.<sup>2</sup> When five years' dissipation had driven the Earl of Oxford to the verge of bankruptcy, the Queen supported the ancestral dignity of the de Veres with a pension of £1000 a year taken 'out of the Bishoprick of Ely which since his decay, could never see other Bishope'.<sup>3</sup> A vacancy thus prolonged for thirteen years was, however, an exception. Such tactics were liable to create scandal. There were other and more legal methods of supporting the nobility with meat from the episcopal carcass. A favourite grant to a needy nobleman was a patent for the searching out of concealed lands. At the dissolution of the monasteries much property had been quietly absorbed into the episcopal estates. The tracking down of such pious fraud, sharing the reclaimed land on a fifty-fifty basis with the Crown, was at once an anti-clerical pleasure, a personal source of profit, and a patriotic duty to an Elizabethan peer. In consequence 'eagle-eyed concealers'<sup>4</sup> prowling up and down the countryside, prying into land tenures, scrutinizing deeds and conveyances, were a familiar and unwelcome figure in the contemporary rural scene. Well might Matthew Hutton, Archbishop of York, tearfully entreat the Queen: 'to the quirks and quiddities of such men we beseech your Majesty that we may not be delivered over to be sifted'.<sup>5</sup> But self-help with the blessing of the Queen was perhaps the commonest method of all by which the courtier robbed the

<sup>1</sup> H.M.C. Salis. MSS. v, 84; viii, 470.

<sup>2</sup> Strype, *Annals* (1728), iii, 230, 469.

<sup>3</sup> T. Wilson, *op. cit.* p. 22.

<sup>4</sup> The phrase is Sir Edward Coke's. (H.M.C. Salis. xii, 520.)

<sup>5</sup> *Ibid.* xii, 112. Of course bishops were only one of the sufferers from these predatory creatures. The laity had also absorbed no little monastic or royal property when no one was looking. William Tipper, for years the nefarious official who worked for the successive patentees, must have been one of the most hated men in England. In the latter years of Elizabeth, that gentle poet and perfect courtier Sir Edward Dyer, was the patentee. It is typical, however, that he merely managed to run up a debt of £2414 with Tipper, who in the end came into much of the mortgaged Dyer property. (R. M. Sargent, *At the Court of Queen Elizabeth* (Oxford, 1935), pp. 132-40.) It is not improbable that it was this disappointment which produced that most charming, most popular, but patently insincere of poems:

'My mynde to me a kyngdome is  
 Suche perfecte ioy therein I fynde...  
 Though muche I wante which moste would haue  
 Yet still my mynde forbides to craue.'

Lord Vaux's poem 'Of a contented mynde' is similar evidence of attempts at philosophical self-consolation of the bankrupt.

bishop. Sir Thomas Shirley batted on the Dean and Chapter of Norwich. Lord North's indefatigable slanders and lawsuits drove Cox of Ely to his grave; Sir Robert Stapledon destroyed the reputation of Edwin Sandys by a carefully prepared trap baited according to the sexual frailties of the Archbishop.<sup>1</sup> Sir Henry Sidney plagued the lives of the Bishops of Hereford and Worcester; Sir John Perrott, as befitted his ambitious spirit, waged war on an archbishop and two bishops all at the same time.<sup>2</sup> It was not merely the richest manor of the bishopric, Sherborne for Salisbury, Southwell for York, Somersham for Ely, upon which the nobility cast covetous eyes. They were not too proud to stoop to smaller pickings of which the commonest was the impropriated parsonage. The method employed is clearly revealed by the case of West Monkton in Somerset. The parsonage was valued at £100 a year. Lord Paulet suggested to the Queen that she should demand it from the bishop who was the patron. As a fair division of the spoils, Lord Paulet suggested that the incumbent should in future receive £30, the Queen £20 and himself the remaining £50.<sup>3</sup> This combined pressure of Queen and noble served to burden the episcopal revenues with heavy annuities to courtiers and to distribute the profit of office among the greater functionaries. As a result the Bishop of Winchester was all too justified in protesting, with a passion that created havoc in his spelling: 'I never was a Whorder of Money.' Once the wealthiest bishopric in England, the net episcopal revenue now amounted to less than £400 a year, the bulk being drawn off in a host of annuities, £100 of which went to the Earl of Leicester, £400 to the Queen, £210 to Sir Francis Walsingham.<sup>4</sup> As for offices, the list of those held by one single nobleman speaks for itself. Steward to the Archbishop of Canterbury, Steward to the Bishop of Ely, Steward to the Bishop of Bristol, reversionary Steward to the Bishop of London, High Steward and Master of Game to the Archbishop of York, Master of Game to the Bishop of Coventry and Lichfield, Steward to the Church of Norwich—Robert Dudley, Earl of Leicester was all these.<sup>5</sup> Essentially it was through the channel of the Crown that poured all these favours and rewards. It was the Queen's efforts to support her nobles and courtiers that caused the holes in episcopal revenue that led Bancroft in 1604 to declare that bishoprics by then had been brought to resemble Banbury cheeses.<sup>6</sup>

<sup>1</sup> The good archbishop tried to restore his reputation with the austere Lord Burghley by sending him extracts from Eusebius recounting the tale of a similar misfortune that had befallen a certain Bishop Euphrates. (B.M. Lansd. MSS. 109/38.)

<sup>2</sup> H.M.C. Salis. MSS. iv, 279. Sir John's methods were also characteristically unique. Of the three witnesses he produced in his suit against the Bishop of St David's, a year later it was reported that 'one . . . was since hanged at Lincoln, another died of the French disease at Lynne, and a third was found dead under a hedge at Ely'.

<sup>3</sup> Strype, *op. cit.* iii, 531.

<sup>4</sup> *Ibid.* iii, Appendix, p. 58.

<sup>5</sup> Collins, *Sidney Papers*, I, 44-5.

<sup>6</sup> H.M.C. Salis. MSS. xvi, 408.

## VII

An understanding of this crucial role played by the Crown in the support of aristocratic revenues provides the key to the problem of the series of upper class plots and revolts that took place in the late Tudor period. Hostility to the official religious settlement may perhaps have predominated in the mind of the Duke of Norfolk, thwarted political ambition may have been the prime motive of Sir Walter Raleigh, but the fact remains that the noble rebels of the Elizabethan age were all without exception upon the brink of financial ruin. Under such circumstances, rebellion looks suspiciously like the last desperate throw of the ruined gambler, the forcible attempt to capture the ear of the Queen as the fountainhead of profits and pensions which alone could restore decayed ancestral fortunes.

The first of the series, the rebellion of the Northern Earls in 1569, was touched off by the defeat in the law courts of the Earl of Northumberland in his attempt to draw royalties from the Keswick copper mines. Contemporaries like Camden acknowledged the importance of this defeat in driving the Earl into open opposition to the regime.<sup>1</sup> The Percys were no longer the independent princes of half a century before, when they carelessly spent £1000 a year on their household alone.<sup>2</sup> The landed revenues of the Earl in the county of Northumberland now only amounted to about £150 a year,<sup>3</sup> and he was harried by creditors. By pawning his St. George's collar for £60, and raking in fines for long leases from his tenants, he only succeeded in collecting 8000 crowns as a war chest for the rebellion.<sup>4</sup> As for the Earl of Westmorland, his case was yet more desperate. Prodigal extravagance had reduced him to genuine penury and he had nothing to lose and everything to gain by attempting a *coup de main*. Like his exiled successor many years later, he was already in 1569 'as beggarly as brown paper'.<sup>5</sup> Nor were the lesser conspirators in a better financial state; Leonard, Edward and Francis Dacre for example, were all burning with resentment at obtaining no portion of their father's lands, the whole of which had gone three years before to their rackrenting brother George, Lord Dacre.<sup>6</sup> The Government naturally did not fail to use the bankruptcy of the rebels as an effective propaganda weapon. The royal proclamation referred to the fact that 'one of the Earls has already so wasted his patrimony'.<sup>7</sup> When the Archbishop of Canterbury preached his sermon on the revolt, he asked his audience whether it was likely that good and prudent governors of the State could be made out of 'the greatest spendthrifts, that have lewdly wasted their own goods and lands, those that be over the ears in debt... who have so spoiled and consumed their own wealth and thrift'.<sup>8</sup>

<sup>1</sup> W. Camden, *Annals of Queen Elizabeth* (1635), p. 114.

<sup>2</sup> In 1512, *The Northumberland Household Book* (1905 ed.), pp. 29, 214.

<sup>3</sup> B.M. Lansd. MSS. 109/73, 12/91.

<sup>4</sup> R. R. Reid, 'Rebellion of the Northern Earls, 1569', *T.R.H.S.* (2nd ser.), xx, 196. Collins, *Peerage*, II, 134.

<sup>5</sup> H.M.C. Salis. MSS. XII, 570.

<sup>6</sup> Camden, op. cit. p. 116.

<sup>7</sup> H.M.C. Salis. MSS. I, 442.

<sup>8</sup> Strype, op. cit. I, 590.

When the Duke of Norfolk was arrested two years later, his financial situation proved to be equally precarious; he owed £6612 for which large tracts of his lands were mortgaged. The only method of reducing the debt was by direct sale of some hereditary estate of the Howards. It is perhaps not beyond belief that the Duke's implication in the Ridolfi plot was not unconnected with the fact that he was bound to Ridolfi 'by a Recognisance for a great sum of money'.<sup>1</sup>

The same admixture of motives may be traced in the behaviour of other opponents of the Elizabethan regime. When Henry Lord Morley fled to Flanders in 1575, he left behind him unpaid debts totalling £3000 for which he would have been liable to arrest had he remained.<sup>2</sup> When in 1585, Philip Earl of Arundel tried to fly the country, nominally for the sake of his religion, it was discovered that against a net income of £2500 he had piled up debts to the tune of £18,000.<sup>3</sup> The odds are that the importunities of his 114 creditors were more compelling as a motive for flight than the obligation to go to church.

The clearest example of all, however, is provided by the Essex revolt. This was in essence an opportunist union of bankrupt nobility and gentry in a desperate effort to break down the exclusive monopoly of royal gifts and favours now enjoyed by the Cecils and the Howards, whose position seemed merely to have been strengthened by the death of the aged Burghley. The various stages in the primrose path trodden by the young Earl of Essex can be traced in some detail. On his death-bed, Walter the first Earl, predicted that his son would be obliged to live a life of retirement and obscurity since 'the smallness of his lyving, the greatness of my debt and the dowries that go out of my lands make the remaynder little or nothing towards the reputation of a Earls estate'.<sup>4</sup> Turned into statistical terms, these words meant £13,000 of debts (£6000 of which were due to the Queen), legacies of a further £6420, £245. 12s. 2d. due for the performance of the will, and a net landed income of under £1000 a year.<sup>5</sup> The young heir was brought up as a ward under the frugal eye of Lord Burghley. But at the age of fifteen he was already showing signs of those tendencies to impetuous extravagance that were to be his ruin.<sup>6</sup> Life at court, despite his meteoric rise to favour and the lands and pensions that were lavished upon him, soon brought him to an initial crisis. When he ran away to join the fleet for Portugal in 1589, he went as a gambler that hazarded all on a last throw. His debts already amounted to £22,000 or £23,000, sales and mortgages had dissipated all the royal gifts. The Queen tried hard to keep her favourite at home with the bait of £300 per annum or more of bishops' lands.<sup>7</sup> But this was not enough. As he fled to Plymouth, Essex put his position to Hatton: 'If I speed well, I will adventure to be rich, if not I will never live to see the end of my poverty.'<sup>8</sup> But there was no loot of Lisbon to restore the fortunes of Robert Devereux and the weary

<sup>1</sup> H.M.C. Salis. MSS. I, 527, 570; II, 82.

<sup>2</sup> Ibid. II, 97, 128.

<sup>3</sup> See Appendix II.

<sup>4</sup> W. Murdin, *op. cit.* p. 301.

<sup>5</sup> B.M. Lansd. MSS. 23/66, 25/50.

<sup>6</sup> Ibid. 25/82, 36/12.

<sup>7</sup> B.M. Lansd. MSS. 61/61.

<sup>8</sup> Murdin, *op. cit.* p. 634.

round of sales and mortgages proceeded.<sup>1</sup> He complained bitterly of the necessity of having to keep company with usurers and pawnbrokers, tradesmen and bankers. Despised by his aristocratic spirit as 'the basest sort of people that are', odious yet indispensable, his creditors dogged his steps all the days of his life with the pertinacity of the Oresteian Furies.<sup>2</sup> Tithes and parsonages, fee simple and fee farm, parks and stewardships, were all swallowed up in the bottomless pit of the Earl's 'unthrifty humour'.<sup>3</sup> Temporarily relieved by the loot of Cadiz in 1596, Essex set out for Ireland in the same frame of mind as that in which he slipped away to Portugal nine years before. His private debts amounted to over £15,000 besides those due to the Queen.<sup>4</sup> He and the bulk of his captains were at the end of their tether. Success would not only mean turning the tables on the Cecils; more important still, it would open the way to grants of wide estates in Ireland as well, it was to be hoped, of gifts and favours from a grateful Queen. Failure, for the Earl no less than his officers, spelt a debtor's prison.<sup>5</sup> And a failure the expedition proved to be. The twelve months that intervened between the Earl's return and the rising were marked by the steady growth of the financial toils in which Essex was enmeshed. Two facts dominated the situation. The first was the refusal of the Queen, announced on 30 October 1600, to renew the lease of the Farm of Sweet Wines, upon which Essex depended for the bulk of his income. To make matters still worse, £6000 worth of debts were owing to the merchants trading in sweet wines.<sup>6</sup> In view of the Queen's action, these merchants, Michaeli Corseillis, Thomas Cottell and Peter Vanlore, now prepared for the kill. The second fact which made revolt in 1601 imperative was that the bulk of the Earl's other debts had matured in the early summer of 1600. Over £7500 had fallen due between 30 April and 26 June.<sup>7</sup> The means of giving satisfaction having now vanished the choice only remained between the hazards of revolt and the certainty of a debtors' prison. For bailiffs were no respectors of persons and an earl remained as liable to incarceration in the Fleet as any other bankrupt gentleman.<sup>8</sup> Essex was on the books of every great London financier of the period. Sir John Spencer and Sir John Hart, William Craven and James Bagge, Charles Vanpeene and Peter Van Lore, John Robinson and the ubiquitous

<sup>1</sup> B.M. Lansd. MSS. 63/65. It was probably about this time that there was drawn up a list of the Earl's debts, totalling £25,473. 4s. 8d. It was hoped to reduce this to £15,000 by sale of lands and parks for £10,500. (B.M. Lansd. MSS. 23/62.)

<sup>2</sup> Murrin, *op. cit.* p. 656.

<sup>3</sup> *Ibid.* pp. 786, 794, 799, 801, 805-6. T. Birch, *Memoirs of Queen Elizabeth* (1754), I, 181; II, 201, 380.

<sup>4</sup> H.M.C. Salis. MSS. VII, 283, 375.

<sup>5</sup> A letter from the Earl's Secretary at the Irish headquarters concluded: 'I pray God we may return conquerors for sure I am we shall return beggars.' (H.M.C. Salis. MSS. XIV, 271.)

<sup>6</sup> *Ibid.* VII, 283.

<sup>7</sup> Hatfield House MSS. 75/71. Mr J. V. Lyle was so kind as to transcribe this document for me, access to the Muniment Room being not yet possible.

<sup>8</sup> E.g. the Earl of Lincoln. (H.M.C. Salis. MSS. X, 171; XV, 90.)

Thomas Sutton all held bonds, recognisances or mortgages bearing the signature of Robert Devereux. If Pallavicino was no longer also on the list, it was only because the Queen, in a remarkable access of generosity, had paid Essex's debt of £1000 for him some time before.<sup>1</sup> It was unlikely that such successful business magnates would have much pity for the fallen favourite. From their point of view if anything was to be salvaged from the ruins of their debtor's fortune, it was clear that the time for foreclosure and liquidation had arrived.

Such then was the position of the leader of the rising. Nor were the fortunes of the Earl's associates any different. Apart from some casual supporters from the ideologically disaffected—a few Catholics, a handful of Puritans—the conspirators consisted of a group of extravagant and bankrupt young fellow-nobles, a cohort of cashiered and penniless ex-officers from Ireland, and a number of decayed Welsh landed gentry. Impecuniosity was the common bond between them all. Sir Edward Littleton, arrested by the bailiffs on the very morning of the revolt as he was swaggering through the London streets to join his fellow-conspirators, merely anticipated the inevitable fate that awaited all. The Earl of Bedford owed £40,000,<sup>2</sup> the Earl of Rutland, £10,000;<sup>3</sup> the Earl of Southampton, the possessor of a rent-roll of close on £5000 eighteen years before, had now sold all his land, was at least £19,000 in debt and on the day had not 40s. in his pocket or at home.<sup>4</sup> The Earl of Sussex's debts were just under £12,000 and he was undergoing similar trials.<sup>5</sup> Lord Sandys owed about £11,000;<sup>6</sup> Lord Mounteagle was fast in the toils of the professional money-lenders, James Anton and John Robinson, and owed at least £7000;<sup>7</sup> Lord Cromwell was in debt to the tune of at least £23,000.<sup>8</sup> Typical of the

<sup>1</sup> S.P. Dom. Eliz. 270/52.

<sup>2</sup> P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 192/385, 193/327.

<sup>3</sup> H.M.C. Salis. MSS. xi, 141, 230.

<sup>4</sup> B.M. Lansd. MSS. 37/30; P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 193/49, 136, 142; H.M.C. Salis. MSS. xi, 71.

<sup>5</sup> B.M. Lansd. MSS. 84/72. Cal. S.P. Dom. Addit. 1580-1625, p. 426. P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 192/243, 326, 334, 335.

<sup>6</sup> H.M.C. Salis. MSS. xi, 182; xiv, 94. P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 193/135, 270; 194/219.

<sup>7</sup> Ibid. 193-4 passim.

<sup>8</sup> Ibid. 192-4 passim. The rough account of the indebtedness of the eight noble conspirators thus runs as follows:

|                     | £                               |
|---------------------|---------------------------------|
| Earl of Essex       | Over 16,000 (private debts)     |
|                     | Up to 32,000 (due to the Crown) |
| Earl of Rutland     | 10,000                          |
| Earl of Southampton | 19,000                          |
| Earl of Sussex      | 12,000                          |
| Earl of Bedford     | 40,000                          |
| Lord Sandys         | 11,000                          |
| Lord Mounteagle     | 7,000                           |
| Lord Cromwell       | 23,000                          |
| <i>Total</i>        | <u>170,000</u>                  |

lesser hangers-on is Richard Chomley who joined in because of 'his father's desperate estate, who doth owe more than he can pay'.<sup>1</sup> Of the thirty-four conspirators of prominence, all eight noblemen and fifteen others can be proven to have been in desperate financial straits.<sup>2</sup> For the remaining twelve, there is no evidence either way, but the presumption of poverty is strong. When Coke contemptuously affirmed that Sir John Heydon was 'as poor as ever Iruis was',<sup>3</sup> he was epitomizing the standing of the whole group.

The last of the series of aristocratic revolts was the so-called Main Plot, if plot it was. Essentially it was no more than a repetition in slightly different form of the Essex rebellion three years before; an attempt by dispossessed and ruined courtiers to destroy the monopoly of royal favour enjoyed by the Cecil and Howard factions. With his banishment from court and the deprivation of his offices, Raleigh found himself reduced to a tenth of his former income, while his debts were now treble his assets.<sup>4</sup> Lord Cobham's efforts two years before to reorganize his estates had not produced sufficiently positive results; he had borrowed close on £30,000 in the previous eight years and his case was desperate.<sup>5</sup> His brother George Brooke had failed in his suit for the mastership of the affluent Hospital of St Cross, and 'his state decaying by his large expense, made him a more dangerous malcontent in this time'.<sup>6</sup> Sir Griffin Markham's suit for a grant of some parks had also been turned down. Harried by creditors for debts totalling £28,000, he and his brother Robert saw no alternative to violence.<sup>7</sup> Lord Grey of Wilton had long been sinking and only two years before had been liable to lose £10,000 worth of land mortgaged for an unredeemed debt of £3000.<sup>8</sup> The Main Plot was thus, like the others, a rebellion of bankrupts.

A postscript to the series is provided by the macabre though slightly ridiculous affair of the Gunpowder Plot. Infuriated by James's breach of promise over religious toleration, driven desperate by renewed and ever more ferocious Recusancy fines, the lesser Catholic gentry of the Midlands saw in the total dissolution of the existing society the only possibility of escape from financial ruin and ideological persecution. But an examination of the debt burdens of Ambrose Rokewood and Robert Catesby, Francis Tresham and Robert Tresham, suggests that one of the objectives of the

<sup>1</sup> H.M.C. Salis. MSS. xi, 40.

<sup>2</sup> Ibid. xi, xii, xiv, xv, passim. P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 191, 192, 193 passim.

<sup>3</sup> H.M.C. Salis. MSS. xv, 72.

<sup>4</sup> E. Edwards, *Life of Raleigh*, II, 291; H.M.C. Salis. MSS. xvi, 259.

<sup>5</sup> Cal. S.P. Dom. 1598-1601, pp. 431-3, 511-15. H.M.C. Salis. MSS. xv, 161; xvi, 31, 410-11. P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 192-4 passim.

<sup>6</sup> H.M.C. Salis. MSS. xv, 212.

<sup>7</sup> Ibid. xv, 212, 311; xvi, 105, 144, 167, 257. P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 195/69-420 passim.

<sup>8</sup> *Leycester Correspondence*, p. 56. Murdin, op. cit. p. 797; H.M.C. Salis. MSS. xi, 548.

attempt to destroy King and Commons, Lords and Bishops, was the cancellation of those awkward bonds piling up in the books of the Office of the Clerk of Recognisances. The whole group was financially closely linked in joint bonds for loans from the financial tycoons of London. Thomas Sutton in particular seems to have specialized in lending to this group, though with his customary caution he had closed the accounts before the crash came.<sup>1</sup>

It would thus appear that the group of aristocratic rebellions of the late sixteenth century have generally been misunderstood. Their political or religious motivation was slight. Fundamentally they are important only as indications of the growing financial malaise of the noble class. Their increasing frequency at the turn of the century indicates the deepening of the economic crisis, and the reactions to the monopoly of power and perquisites enjoyed by the triumvirate of Robert Cecil, Lord Buckhurst and the Earl of Nottingham. The most permanent result of such risings was the orgy of aristocratic cannibalism to which they gave rise. Dog ate noble dog without compunction. Not a few noble houses prolonged the day of liquidation by swallowing whole the attained lands and offices of a traitor peer. Thus Leicester and Burghley reaped the spoils of the Northern Earls in 1569. In the wild scramble for the proceeds that succeeded the suppression of the Essex revolt, many a needy peer obtained some pickings. In 1603, the King and Lord Henry Howard divided the estates and offices of Lord Cobham, while Lady Raleigh declared that the Earl of Nottingham had gained £6000 in cash and £3000 a year in rents and offices out of the ruin of her husband.<sup>2</sup> The great advantage of a conviction for treason was that it allowed the seizure of entailed property. Bankrupt the rebel might have been, but not infrequently his entailed estates remained large. Impossible to mortgage, impossible to alienate, impossible to sell, these lands remained vast unrealizable assets to whet the appetite and benefit the revenue of the loyal suppressors of the revolts. For example, Lord Cobham, penniless though he was, yet possessed entailed estates valued at just under £2000 a year, all of which provided a not unwelcome addition to the landed revenues of King James.<sup>3</sup>

## VIII

The process of attrition of the economic resources of the aristocracy, which has been described, was one that continued without interruption throughout the whole Elizabethan period. There is much evidence, however, to

<sup>1</sup> On loans ranging from one to twelve years' duration Francis and Robert Tresham borrowed £44,600 between 1589 and 1605. Ambrose Rokewood pledged himself together with Robert Catesby and Robert Tyrwhit to borrow £3000 from Thomas Sutton in 1602, and raised another £500 on his own account from Alderman Lee in 1604. Robert Catesby had been borrowing heavily since 1592 and in the year 1602-3, just before he came into his father's estate, he raised no less than £11,200 on his own account. (P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 192-5 passim.)

<sup>2</sup> H.M.C. Salis. MSS. xvi, 548.

<sup>3</sup> Ibid. xvi, 225. E. Edwards, *Life of Raleigh*, II, 458.

indicate that the decline turned into a collapse in the last decade of the reign. A fairly sure indication is the rise in the rate of recorded aristocratic borrowing which rocketed to a level of over £100,000 a year for the four years from 1597 to 1600. Such evidence as is available makes it almost certain that average noble incomes were not above £2000 or £3000 a year, and in very many cases were vastly less. The sixty-odd Elizabethan noblemen were thus depending upon credit for at least one-quarter of their total annual income during this period.<sup>1</sup> By 1603, it would seem as if the whole hierarchic structure of Tudor society was on the verge of imminent dissolution. The three pillars of that social framework, Crown, episcopacy and aristocracy, had all reached the nadir of their fortunes. The cause of this sudden increase in the speed of decay must be sought primarily in the impact of war expenditure upon the financial situation of the Crown. For it was the Crown that ruined the bishops, the Crown alone that could support the aristocracy. The royal financial position can be expressed in simple statistical terms. Extraordinary war expenditure between 1585 and 1603 amounted to just four million pounds. Parliamentary grants of taxation, both lay and clerical, came to less than two and a half million, leaving a deficit of one and a half million to be filled from the normal revenues of the Crown.<sup>2</sup> The rate of accumulation of the deficit had actually increased as the war progressed, just under £900,000 of it having arisen in the last nine of the eighteen years that the war lasted.<sup>3</sup> The Queen had only three means of filling this enormous gap. Over £600,000 was raised by drawing on the capital resources of the Crown through

<sup>1</sup> The sum of noble borrowing by recognisances runs as follows:

| Regnal Year          | Year      | Amount (to<br>nearest £1000)<br>£ |
|----------------------|-----------|-----------------------------------|
| May 31–May 32 Eliz.  | 1589–90   | 26,000                            |
| Nov. to Nov. 33 „    | 1590–91   | 45,000                            |
| „ 34 „               | 1591–92   | 22,000                            |
| „ 35 „               | 1592–93   | 41,000                            |
| „ 36 „               | 1593–94   | 30,000                            |
| „ 37 „               | 1594–95   | 78,000                            |
| „ 38 „               | 1595–96   | 79,000                            |
| „ 39 „               | 1596–97   | 95,000                            |
| „ 40 „               | 1597–98   | 129,000                           |
| „ 41 „               | 1598–99   | 72,000                            |
| „ 42 „               | 1599–1600 | 123,000                           |
| „ 43 „               | 1600–01   | 43,000                            |
| „ 44 „               | 1601–02   | 55,000                            |
| Nov. to Mar. 45 „    | 1602–03   | 10,000                            |
| Mar. to Mar. 1 James | 1603–04   | 24,000                            |
| „ 2 „                | 1604–05   | 82,000                            |
| „ 3 „                | 1605–06   | 46,000                            |

(P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 22, 191–6 passim.)

<sup>2</sup> S.P. Dom. Eliz. 287/59–60. Printed by W. R. Scott, *Joint Stock Companies to 1720*, III, 527; F. C. Dietz, *Exchequer in Elizabeth's reign* (Smith College Studies in History, VIII, No. 2).

<sup>3</sup> H.M.C. Salis. MSS. xv, 1.

direct sale of land. But this unwelcome and ultimately disastrous procedure still left £850,000 outstanding, to be met by screwing up normal income or cutting down normal expenditure. And it was the latter feature that struck a death-blow to the fortunes of the aristocracy. Dependent as they were on royal grants and favours to maintain their position and carry out their official responsibilities, the economy drive of the Queen in the 1590's threatened to be their ruin. Rather than draw further on her capital resources, the Queen preferred to steel herself to regard with equanimity the ruin of the peerage. But the first to be thrown to the wolves were naturally the bishops. The process of robbing St Peter to pay Sir Paul was carried beyond the limits of prudence, and did no little to undermine the security of the Elizabethan Church settlement. Upon clerical spoils, grudgingly doled out to noble beggars, the Elizabethan aristocracy struggled to survive. But the process could not be continued indefinitely. When the Bishop of Bangor's income was £150, the temporalities of St Asaph £187, when once plutocratic Winchester had left a clear net revenue of under £400, it was evident enough that the source was running dry.<sup>1</sup> The other straw grasped by the drowning peerage, the patents and monopolies lavished with such profusion in the last decade of the reign, seemed likely to prove equally shortlived. Such ostentatious exploitation of the consumer aroused the wrath of the Commons to such a pitch that even the obstinate and autocratic old Queen found it prudent to temporize. After the debate on monopolies in 1601, it looked as if this final hope were about to be cut off with the rest.

It is perhaps misleading, though convenient, to describe the Tudor aristocracy at the end of the reign of Elizabeth as a class. Its economic status varied from the abject poverty of Lord Vaux to the princely affluence of Lord Buckhurst, its opinions from the obstinate popery of Lord Mounteagle to the sturdy protestantism of Lord North, its ancestry from the ancient lineage of the Howards and de Veres to the upstart dignity of the Dudleys. But if the nobility contained such diversity of wealth, political ideas and heredity, it nevertheless remained socially homogeneous, a closed, self-contained caste that despised work, sponged on the Court, and assumed a natural superiority over all other groups in the kingdom. As yet the marriage with bourgeois heiresses had scarcely begun. About the turn of the century the tentative and shameful bargains initiated by the Howards became more frequent, but it was not till the early years of James that there developed a regular aristocratic stampede into the protective arms of aldermanic daughters. Only then too began the regular system of selling titles to the rich. Until the new reign, the caste system remained virtually intact. Generalizations made upon the group as a social entity are therefore still permissible in 1600, though similar treatment of the nobility thirty years later would remain open to fundamental criticism. When, precisely in 1600, the elderly civil servant Thomas Wilson set about drawing up a description of England, he included a list of the contemporary peers. There were, he said, twenty marquesses and earls and

<sup>1</sup> *Ibid.* viii, 470; xi, 397. *Strype, op. cit.* iii, Appendix, p. 58.

forty-one viscounts and barons, whose average incomes were respectively £5000 and £3000 per annum.<sup>1</sup> Laudable though such a statistical approach may be, there can unfortunately be little doubt that Wilson's assessments of revenue are as inaccurate as many other of his figures. Even while he was thus proudly describing the theoretical structure of society, rank and income descending in parallel steps from the Virgin Queen to the sturdy vagabond, economic facts had already destroyed the foundations upon which such a structure could be supported. Of the nineteen marquesses and earls, no less than fourteen are known to have been in financial difficulties at about this time.<sup>2</sup> Similarly thirty-one of the forty-four viscounts and barons have left records of their protests and complaints at financial embarrassment.<sup>3</sup> Though much of the evidence comes from the tainted source of their own pens, there is enough subsidiary material, particularly the Recognisances for Debt, to confirm at least the broad outlines of their poverty. Over two-thirds of the earls and barons were thus swiftly approaching or poised on the brink of financial ruin in the last few years of Queen Elizabeth. Surveying the lives and deaths of all the great noblemen and courtiers that clustered around the old Queen, Sir Robert Naunton uncharitably commented that on the whole 'they expired, like unto a candle bloune out with the snuffe, stinking, not commendably extinguished and with an offence to the standers by'.<sup>4</sup> Faced with the alternatives of liquidation of Crown capital or the rapid decay of the class that provided the most reliable and unquestioning support of her prerogative, Elizabeth chose the latter of the two evils. By the time of her death, Crown, episcopacy and aristocracy were all sinking together, the first keeping its head above water only by trampling upon the enfeebled bodies of the other two. But when bishops and peers had gone, what hope was there of a long life for a monarchy thus deprived of its twin supports?

Though dogmatic assertion is unwise until supported by further research, there is yet some evidence that the landslide was abruptly arrested with the accession of James. The letters of John Chamberlain leave no doubt that court extravagance increased far beyond anything known in the days of the old Queen. On the other hand, they show an increase in corruption that at last made the tenure of responsible position a source of profit.<sup>5</sup> With the making of peace, the Crown again enjoyed a substantial revenue to be distributed in gifts and favours. Of the two alternatives that faced Elizabeth, James chose the first, that of dissipating the capital resources of the Crown. The royal debt doubled and trebled in a decade. Subsidies and tenths and fifteenths that once fed an incompetent war machine now served to enrich an avaricious court. Vast blocks of Crown lands were thrown upon the market. On the proceeds of these measures and an indiscriminate disposal of patents and monopolies, fed a revived aristocracy

<sup>1</sup> T. Wilson, *op. cit.* p. 17.

<sup>2</sup> See Appendix IV.

<sup>3</sup> See Appendix V.

<sup>4</sup> Naunton, *Fragmenta Regalia*, p. 150.

<sup>5</sup> M. T. McClure, *Letters of John Chamberlain*, *passim*.

and episcopacy. For it was unlikely that a monarch who enunciated the dogma 'No Bishop, No King', would continue with the sacrilegious robbery practised by Elizabeth. One of the first of the acts of King James was to grant the Bishops of Norwich and Hereford the profits of the vacancies which had been absorbed by the old Queen.<sup>1</sup> Furthermore he personally caused an act to be passed, depriving bishops of their legal rights to alienate any diocesan property.<sup>2</sup> As for the peerage, if the cream of the gifts and pensions went to the 'beggarly blewcaps' from across the border, there was yet milk enough in plenty to restore the fortunes of the English aristocracy. When, in 1604, Lord Sheffield told the King that 'he reckoned I had repaired the ruins of every noblemans house in England except his', James could think of no better retort than that he knew of one Lord at least, Lord Cromwell, who was still hard up.<sup>3</sup> Furthermore, by openly adopting the device of the sale of titles, the aristocracy obtained an infusion of new blood that contributed greatly to the elevation of its economic status. No less than 204 baronetcies were sold over the counter in the reign of James, while his net additions to the peerage proper were forty-five and those of his son thirty-eight. The Early Stuarts more than doubled the ranks of the aristocracy, amongst whom could now for the first time be counted a sprinkling of business men. Thus that shrewd merchant and moneylender Baptist Hicks now lies in state in the church of Chipping Camden, the vicecomital coronet proudly encircling his marble brow. New creations such as these, together with lavish gifts to the ancient houses, served to postpone for forty years the day of liquidation.

*University College, Oxford*

<sup>1</sup> H.M.C. Salis. MSS. xvi, 407-8.

<sup>2</sup> 1 James I, cap. 3.

<sup>3</sup> H.M.C. Salis. MSS. xvi, 397.

## APPENDIX I

## FINANCIAL SITUATION OF ROBERT DUDLEY, EARL OF LEICESTER, 1588

This statement of the estate of the Earl of Leicester is drawn from a collection of documents (B.M. Harleian Charters, D 35) representing the cross-claims of the Government and official auditors on the one hand, and the executors and the widow's lawyers on the other. Most of the accounts both fail to add up correctly and also contain obvious errors such as omissions or double entries of the same item. The estimates given below are drawn from items from all the documents together and show merely the most probable situation. There is no single document which attempts any such complete assessment.

## I. ASSETS:

| (1) <i>Movables inventoried</i>                                        | £     | s. | d. | £      | s. | d. |
|------------------------------------------------------------------------|-------|----|----|--------|----|----|
| Leicester House. . . .                                                 | 3,197 | 14 | 2  |        |    |    |
| Wanstead House . . . .                                                 | 1,119 | 6  | 6  |        |    |    |
| Kenilworth . . . . .                                                   | 2,684 | 4  | 1  |        |    |    |
| Elsewhere. . . . .                                                     | 111   | 8  | 8  |        |    |    |
| Barge and naval equipment for<br><i>Galleon Leicester</i> , etc. . . . | 707   | 16 | 8  |        |    |    |
| Jewels . . . . .                                                       | 446   | 4  | 0  |        |    |    |
|                                                                        | <hr/> |    |    | 8,266  | 14 | 1  |
| (2) <i>Bad debts inventoried</i> . . . .                               |       |    |    | 2,196  | 10 | 0  |
| (3) <i>Leases inventoried</i>                                          |       |    |    |        |    |    |
| Lease of Sweet Wines, worth . .                                        | 3,000 | 0  | 0  |        |    |    |
| Lease of Fines from Alienations<br>Office, worth . . . . .             | 4,000 | 0  | 0  |        |    |    |
| Leases of lands . . . . .                                              | 7,314 | 6  | 8  |        |    |    |
|                                                                        | <hr/> |    |    | 14,314 | 6  | 8  |
| <i>Total assets inventoried</i> . . . .                                |       |    |    | 24,777 | 10 | 9  |

## II. DEBITS INVENTORIED:

|                                                              |        |    |   |        |   |   |
|--------------------------------------------------------------|--------|----|---|--------|---|---|
| Debts due to the Queen . . . .                               | 35,087 | 2  | 3 |        |   |   |
| Debts due to individuals . . . .                             | 33,515 | 17 | 9 |        |   |   |
| Mortgage of Denbigh and Chirk to<br>City merchants . . . . . | 17,600 | 0  | 0 |        |   |   |
|                                                              | <hr/>  |    |   | 86,203 | 0 | 0 |

## III. RENTAL VALUE OF UNMORTGAGED LANDS . . . . 2,544 2 8 (p.a.)

## IV. ADDITIONAL ASSETS CLAIMED BY EXECUTORS:

|                                                     |        |   |   |        |   |   |
|-----------------------------------------------------|--------|---|---|--------|---|---|
| Jewels . . . . .                                    | 4,000  | 0 | 0 |        |   |   |
| Undervalue of movables at Kenil-<br>worth . . . . . | 1,316  | 0 | 0 |        |   |   |
| Undervalue of movables at Wan-<br>stead . . . . .   | 1,890  | 0 | 0 |        |   |   |
| Undervalue of Leases . . . . .                      | 13,023 | 0 | 0 |        |   |   |
| <i>Galleon Leicester</i> . . . . .                  | 1,500  | 0 | 0 |        |   |   |
| The Pavilion . . . . .                              | 500    | 0 | 0 |        |   |   |
|                                                     | <hr/>  |   |   | 22,229 | 0 | 0 |

## V. DEBTS DUE FROM STATES GENERAL OF LOW COUNTRIES:

|                                                                             |        |   |   |  |  |  |
|-----------------------------------------------------------------------------|--------|---|---|--|--|--|
| Not certainly known and probably not recoverable,<br>estimated at . . . . . | 12,000 | 0 | 0 |  |  |  |
|-----------------------------------------------------------------------------|--------|---|---|--|--|--|

## Conclusion. Summary at estimates most favourable to the Earl:

|                                                           |        |    |          |        |    |   |
|-----------------------------------------------------------|--------|----|----------|--------|----|---|
| <i>Assets:</i> Total Assets, on higher valuation: . . . . | 47,006 | 10 | 9        |        |    |   |
| Debt due from Low Countries . . . . .                     | 12,000 | 0  | 0        |        |    |   |
|                                                           | <hr/>  |    |          | 59,006 | 10 | 9 |
| Rental value of lands . . . . .                           | 2,544  | 2  | 8 (p.a.) |        |    |   |
| <i>Debts:</i> Total Debts . . . . .                       | 86,203 | 0  | 0        |        |    |   |

## APPENDIX II

## THE FINANCIAL SITUATION OF THE EARL OF ARUNDEL, 1585

(1) *Revenue*

|                                                                                                       | £     | s. | d. | £     | s. | d.       |
|-------------------------------------------------------------------------------------------------------|-------|----|----|-------|----|----------|
| Gross annual revenue . . . . .                                                                        |       |    |    | 4,987 | 0  | 0 (p.a.) |
| Deductions: Annuities and fees . . . . .                                                              | 1,580 | 0  | 0  |       |    |          |
| Wife's allowance . . . . .                                                                            | 500   | 0  | 0  |       |    |          |
| <i>Total deductions</i> . . . . .                                                                     |       |    |    | 2,080 | 0  | 0        |
| Remainder . . . . .                                                                                   |       |    |    | 2,907 | 0  | 0        |
| Deduction of interest at 10 % on £4,666<br>(part of £7,641 borrowed from money-<br>lenders) . . . . . |       |    |    | 466   | 0  | 0        |
| <i>Net annual revenue</i> . . . . .                                                                   |       |    |    | 2,441 | 0  | 0 (p.a.) |

(2) *Debts*

## (i) to the Crown

## (a) Court of Exchequer:

|                                            |       |    |   |
|--------------------------------------------|-------|----|---|
| Arrears of Rent . . . . .                  | 381   | 0  | 0 |
| Arrears of fines for Leases . . . . .      | 300   | 0  | 0 |
| Debts of the Duke of Norfolk . . . . .     | 1,303 | 13 | 5 |
| Subsidies of the Duke of Norfolk . . . . . | 400   | 0  | 0 |
| Subsidies of self . . . . .                | 100   | 0  | 0 |

## (b) Court of Wards:

|                                                                 |       |    |   |
|-----------------------------------------------------------------|-------|----|---|
| Livery of Lord Thos. Howard . . . . .                           | 366   | 13 | 4 |
| Marriage of Lord Thos. Howard . . . . .                         | 900   | 0  | 0 |
| Livery of Lord Thos. Dacre (part<br>of total of £500) . . . . . | 400   | 0  | 0 |
| Wardship and livery of late Lord<br>George Dacre . . . . .      | 1,200 | 0  | 0 |
| <i>Total</i> . . . . .                                          |       |    |   |

5,351 6 9

(ii) Marriage money owing to sister  
(£2,000 from the Duke, £1,000  
from the Earl) . . . . .

3,000 0 0

(iii) Owing to 22 individual money-  
lenders . . . . .

7,641 15 8

(iv) Owing to 42 tailors, mercers, drapers,  
silkmens, apothecaries, saddlers,  
smiths, carters, hackney-men, em-  
broiderers, glaziers, clothmakers,  
locksmiths, etc. . . . .

1,203 7 6

(v) Owing to 50 victuallers and provision  
merchants . . . . .

781 1 5

*Total* . . . . .

17,977 11 4

(B.M. Lansd. MSS. 45/84.)

## APPENDIX III

## SPECIMEN DEBTS OWED BY THE NOBILITY TO THE CROWN

| Date | Name                   | Amount                         |           |    | Reference                                                                     | Comment                                                                                                                                                         |
|------|------------------------|--------------------------------|-----------|----|-------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
|      |                        | £                              | s.        | d. |                                                                               |                                                                                                                                                                 |
| 1575 | Earl of Oxford         | 11,000                         | 0         | 0  | J. Strype, <i>Annals of the Reformation</i> (1728), III, App. 10              | —                                                                                                                                                               |
| 1588 | Earl of Leicester      | 35,087                         | 2         | 3  | B.M. Harleian Charters, D 35 (see Appendix I)                                 | £12,493. 10s. 3d. recovered by Exchequer bill (P.R.O. Exchequer K.R. Decrees and Orders 17/429). £6000 recovered in land seized by the Crown (Harl. Char. D 35) |
| 1576 | Earl of Essex          | 6,000                          | 0         | 0  | B.M. Lansd. MSS. 23/66                                                        | —                                                                                                                                                               |
| 1598 | Earl of Essex          | 32,000                         | 0         | 0  | Cal. S.P. Dom. Eliz. 1598-1601, pp. 130, 134                                  | Including debts owed by father 23 years before                                                                                                                  |
| 1585 | Earl of Arundel        | 5,351                          | 6         | 9  | B.M. Lansd. MSS. 45/84 (see Appendix II)                                      | —                                                                                                                                                               |
| 1592 | Earl of Lincoln        | 1,000                          | 0         | 0  | P.R.O. Exch. K.R. Decrees and Orders, 18/68, 84, 143; 19/138, 195, 258; 21/18 | —                                                                                                                                                               |
| 1587 | Earl of Sussex         | Repayment at rate of £500 p.a. |           |    | H.M.C. Salis. MSS. XIII, 349                                                  | —                                                                                                                                                               |
| 1596 | Earl of Sussex         | £14,000                        | still due |    | P.R.O. Exch. K.R. Decrees and Orders, 19/166; 23/60                           | —                                                                                                                                                               |
| 1600 | Marquess of Winchester | Very much over £12,000         |           |    | H.M.C. Salis. MSS. XI, 410, 447                                               | Still due since death of the first marquess Lord Treasurer                                                                                                      |
| 1585 | Lord Grey of Wilton    | 2,000                          | 0         | 0  | <i>Leycester Corres.</i> (Camden Soc.), p. 56; Lansd. MSS. 82/2               | —                                                                                                                                                               |
| 1601 | Lord Lumley            | Over £11,000                   |           |    | Cal. S.P. Dom. Addit. 1580-1625, p. 416                                       | —                                                                                                                                                               |
| 1596 | Lord Hunsden           | Amount large but uncertain     |           |    | H.M.C. Salis. MSS. XII, 51                                                    | —                                                                                                                                                               |
| 1591 | Sir Christopher Hatton | 42,139                         | 5         | 0  | N. H. Nicolas, <i>Life of Hatton</i> , p. 495                                 | His anxiety over the Queen's refusal to write off this debt was rumoured to have killed him. (Camden, <i>Annals of Queen Elizabeth</i> (1635), p. 406)          |
| 1590 | Sir Francis Walsingham | 12,016                         | 0         | 0  | Conyers Read, <i>Mr Secretary Walsingham</i> , III, 444                       | —                                                                                                                                                               |

## APPENDIX IV

Information concerning the economic condition of every marquess and earl in about the year 1600 is listed below. His borrowings as recorded in the Office of the Clerk of Recognisances are first given and then such supplementary information as serves to complete the picture:

*The Marquess of Winchester:*

| Lender                                               | Amount<br>£ | Regnal year<br>of loan | Reference: P.R.O.<br>Lord Chamberlain's<br>Office, Recognisances<br>for debt |
|------------------------------------------------------|-------------|------------------------|------------------------------------------------------------------------------|
| Charles Blount, Lord Mountjoy                        | 2,000       | 40 Eliz.               | 194/35                                                                       |
| Sir Henry Poole, and Ric.<br>Digges of Lincoln's Inn | 24,000      | 42 Eliz.               | 194/299                                                                      |
| Thos. Reynell, and Ric. Walton<br>of Lincoln's Inn   | 17,000      | 42 Eliz.               | 194/299                                                                      |
| Edward, Earl of Hertford                             | 8,000       | 44 Eliz.               | 195/36                                                                       |

In 1599, the Dowager Marchioness borrowed £2000 off Sir Horatio Pallavicino on a six-months' mortgage (Bodleian Tanner MSS. 283/7; 115/14). In 1601, the Queen was making fresh efforts to extract the vast sums left owing to her by the first Marquess. £12,000 was still unpaid, and the third Marquess was trying to obtain a private Act of Parliament to allow him to begin selling off his entailed estates in Devon and Cornwall. (P.R.O. King's Remembrancer, Decrees and Orders, 24/39, 72, 164; H.M.C. Salis. MSS. xi, 410, 447, 584.)

*The Earl of Oxford.* The Earl dissipated his very considerable estates in a great orgy of spending covering most of the seventh decade of the century, during which time he sold off the bulk of his estates and ran up huge debts, both to the Queen for wardship and livery and to private creditors. Thenceforward he lived on an annuity of £1000 a year, given by the Queen out of the vacant bishopric of Ely. At intervals, he made unsuccessful attempts to discover other sources of revenue, either by organizing a state monopoly for the distribution of tin, to be handled by himself, or by obtaining a grant of the escheated lands of Sir Charles Danvers, one of the Essex conspirators. But his plea that 'out of nothing to her [the Queen].... If I could make something, she should yet give a prop and stay unto my house' were unavailing. The Earl obtained no more than his £1000 p.a. pension until his death. As for his estates, by 1590 he had already sold off at least twenty-five manors. Until the Hatfield MSS. are once more available for inspection, the precise amount of his debts will remain obscure. (H.M.C. Salis. MSS. ii, 84, 115, 144-5; viii passim; ix, 220; xi, 501, 511; xii, 40; xiii, 104, 107, 112, 114, 121, 137; xvi, 259; T. Wilson, *State of England* (Camden Misc. xvi); Strype, *Annals of the Reformation* (1728), iii, 58-9, Appendix 17.)

*The Earl of Northumberland.* In 1569, the eighth Earl was driven into revolt by political interest, pressure of debts and exasperation at his failure to secure mining royalties in Cumberland. His landed property in Northumberland itself was at this time only worth about £150 p.a. However, prudent management eventually restored the family fortunes, and Henry, the ninth Earl, was once more a well-to-do nobleman with considerable estates and modest but ample revenues. Only once does he appear to have been obliged to borrow money, £1800 from one Fras. Fitton in 1597. (P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 193/291; Collins, *Peerage* (1779), ii, 495-6; Camden, *Annals* (1635), p. 114; B.M. Lansd. MSS. 109/73, 12/91.)

*The Earl of Shrewsbury.* Gilbert Talbot on coming into the title in 1590 found the property much wasted. He had run up extravagant debts in London, and it took him many years to restore even something of the family fortunes. He borrowed off Thomas Sutton and Sir Horatio Pallavicino in the early 1590's, and from less exalted usurers towards the turn of the century. (Collins, *Peerage*, III, 20; H.M.C. Rutland MSS. I, 284-5; College of Arms, Talbot MSS. H and G passim; P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 193/270, 194/41.)

*The Earl of Derby:*

| Lender                                                      | Amount<br>£ | Comment                         | Regnal<br>year of<br>loan | Reference: P.R.O.<br>Lord Chamber-<br>lain's Office,<br>Recognisances for<br>Debt |
|-------------------------------------------------------------|-------------|---------------------------------|---------------------------|-----------------------------------------------------------------------------------|
| Ed. Rigby of Burgh, Lancs                                   | 8,000       | (With Lord Strange)             | 33 Eliz.                  | 192/86                                                                            |
| Nic Moseley, Alderman and<br>H. Hindley, Merchant<br>Taylor | 1,200       | (With Lord Strange)             | 33 Eliz.                  | 192/86                                                                            |
| W. Cecil, Lord Burghley                                     | 10,000      | Repaid 27. x.<br>anno 42 Eliz.  | 37 Eliz.                  | 192/370                                                                           |
| Thos. Spencer, Thos. Leigh,<br>both of Lincoln's Inn        | 5,000       | Repaid 24. vi.<br>anno 42 Eliz. | 37 Eliz.                  | 192/391                                                                           |
| Peter Houghton, Alderman                                    | 3,200       | Repaid 20. ii.<br>anno 41 Eliz. | 37 Eliz.                  | 193/10                                                                            |
| Sir Walter Raleigh                                          | 3,000       | —                               | 38 Eliz.                  | 193/153                                                                           |
| George, Earl of Cumberland,<br>and Sir Thos. Cecil          | 20,000      | Repaid 29. xi.<br>anno 43 Eliz. | 39 Eliz.                  | 193/307                                                                           |
| W. Cecil, Lord Burghley and<br>Robert Cecil                 | 5,000       | Repaid 27. x.<br>anno 42 Eliz.  | 40 Eliz.                  | 194/12                                                                            |
| Sir Robert Cecil                                            | 5,000       | —                               | 42 Eliz.                  | 194/294                                                                           |
| Thos. Cecil, Lord Burghley                                  | 10,000      | —                               | 42 Eliz.                  | 194/294                                                                           |

This vast debt accumulation by the Earl was caused largely by the extravagant living and hospitality of Edward, the third Earl, who died in 1594; the expensive foreign embassies undertaken by his son Henry; the lengthy lawsuits over the estates engaged between Ferdinando's widow and his brother William, the sixth Earl; and the utter incompetence of the bailiffs and stewards entrusted with the administration of the property. It was said about the turn of the century that £30,000 worth of lands would have to be sold off to settle the estate, without counting the lands already disposed of. (Camden, *Annals* (1635), p. 163; H.M.C. Salis. MSS. IX, 405; XII, 571; XVI, 282, 303.)

*The Earl of Worcester.* During the whole of the 1590's, the Earl and his contemporaries were commenting upon his increasing poverty and the burden of his many children. Towards the end of the reign, the Earl gave up the unequal financial struggle and retired to live frugally in the country. (H.M.C. Salis. MSS. VII, 267; XII, 43; XIII, 427; XIV, 270.)

*The Earl of Rutland.* In 1588, when the fourth Earl died, less than a year after succeeding to the title, the financial situation of the Mannors was so critical that the executors refused to take responsibility for the will until they had been divided two-thirds of the property with which to settle outstanding debts. The household was cut down and the funeral carried out with maximum simplicity.

This situation continued, aggravated by the Earl's dissipations on his foreign tour, until the debacle of the Essex revolt, by which time his debts has risen to £9,991. 5s. 6d. Well into the more prosperous era of King James, the Earl remained in the hands of such vultures as Baptist Hicks, future Viscount Camden. (H.M.C. Rutland MSS. passim; H.M.C. Salis. MSS. xi, 141, 230.)

*The Earl of Cumberland:*

| Lender                              | Amount<br>£ | Comment                         | Regnal<br>year of<br>loan | Reference: P.R.O.<br>Lord Chamberlain's<br>Office, Recognisances<br>for Debt |
|-------------------------------------|-------------|---------------------------------|---------------------------|------------------------------------------------------------------------------|
| H. Lindley, Gray's Inn              | 5,000       | —                               | 33 Eliz.                  | 192/40                                                                       |
| H. Lindley, Gray's Inn              | 2,400       | Repaid 4. ii.<br>anno 43 Eliz.  | 35 Eliz.                  | 192/248                                                                      |
| Ric. Humble, Vintner                | 1,000       | Repaid 29. vi.<br>anno 39 Eliz. | 37 Eliz.                  | 192/417                                                                      |
| Ric. Humble, Vintner                | 1,000       | Repaid 3. i.<br>anno 39 Eliz.   | 37 Eliz.                  | 192/417                                                                      |
| Thos. Cordell, Alderman             | 7,000       | —                               | 37 Eliz.                  | 192/417                                                                      |
| Peter Houghton, Alderman,<br>Mercer | 6,000       | —                               | 38 Eliz.                  | 193/113                                                                      |
| Thos. Cordell, Mercer               | 10,000      | —                               | 40 Eliz.                  | 193/330                                                                      |
| Peter Van Lore, Merchant            | 2,000       | Repaid 4. vii.<br>anno 4 J.I    | 2 J.I                     | 193/374                                                                      |
| Eliz. Countess of Shrewsbury        | 2,000       | Repaid 27. xi.<br>anno 11 J.I   | 3 J.I                     | 193/460                                                                      |

Horse-racing, gambling, jousting and piracy were the causes of the ruin of George Clifford, Earl of Cumberland. The only scholar to have examined the family archives records: 'If we enter his muniment room we are surrounded by memorials of prodigality, mortgages and sales, inquietude and approaching want. He set out with a larger estate than any of his ancestors and in little more than 20 years, he made it one of the least. Fortunately for his family, a constitution originally vigorous gave way at 47 to hardships, anxiety and wounds.' (T. D. Whitaker, *History and antiquities of the deanery of Craven*, ed. A. W. Morant; Leeds, 1878, p. 354.)

Between 1600 and 1602, his situation became really desperate and he began selling off his property to his tenants, on a large scale. (H.M.C. Salis. MSS. x, 138, 234; xii, 227, 321, 574.)

*The Earl of Sussex:*

| Lender                     | Amount   | Regnal<br>year of<br>loan | Reference: P.R.O.<br>Lord Chamberlain's<br>Office, Recognisances<br>for Debt |
|----------------------------|----------|---------------------------|------------------------------------------------------------------------------|
|                            | £ s. d.  |                           |                                                                              |
| W. Gardiner                | 666 13 4 | 35 Eliz.                  | 192/243                                                                      |
| J. Herd                    | 2000 0 0 | 36 Eliz.                  | 192/326                                                                      |
| W. Stone, Clothworker      | 7000 0 0 | 36 Eliz.                  | 192/334                                                                      |
| Benedict Barnham, Alderman | 2000 0 0 | 36 Eliz.                  | 192/335                                                                      |
| Thomas Sutton              | 3000 0 0 | 41 Eliz.                  | 194/105                                                                      |
| Thomas Sutton              | 4000 0 0 | 41 Eliz.                  | 194/130                                                                      |

When the old Earl died in 1583, he was heavily in debt to private creditors and owed well over £14,000 to the Queen, while his landed income was reduced to £450 p.a. The grandson failed to obtain the Queen's favour and languished 'in a miserable povertye at hoame'. (B.M. Lansd. MSS. 84/72; H.M.C. Salis. MSS. xiii, 330, 349; P.R.O. Exchequer King's Remembrancer, Decrees and Orders, 19/166; 23/60.)

His situation was relieved by James's remission of the debts due to the Crown, and it was not until 1622 that a fresh crisis arose, solved only by the sale to the Duke of Buckingham for £22,000 of the ancestral mansion of Newhall. (Cal. SP. Dom. Additional, 1580-1625, p. 426; D.N.B.)

*The Earl of Huntingdon:*

| Lender                     | Amount<br>£ | Comment                                 | Regnal<br>year of<br>loan | Reference: P.R.O.<br>Lord Chamberlain's<br>Office, Recognisances<br>for Debt |
|----------------------------|-------------|-----------------------------------------|---------------------------|------------------------------------------------------------------------------|
| W. Hastings                | 800         | —                                       | 38 Eliz.                  | 193/126                                                                      |
| W. Hastings                | 400         | —                                       | 38 Eliz.                  | 193/126                                                                      |
| Alex. Prescott, Goldsmith  | 1000        | —                                       | 40 Eliz.                  | 193/332                                                                      |
| W. Glover, Dyer            | 1200        | Repaid 22. viii.<br>anno 41             | 40 Eliz.                  | 193/351                                                                      |
| Ambrose Wood, Inner Temple | 1200        | Repaid 19. vi.<br>anno 41 Eliz.         | 40 Eliz.                  | 193/354                                                                      |
| Sir John Spencer, Alderman | 1200        | <i>Capta in rure</i>                    | 41 Eliz.                  | 194/175                                                                      |
| James Pemberton, Goldsmith | 500         | £230 repaid<br>17. xi. anno<br>42 Eliz. | 42 Eliz.                  | 194/272                                                                      |
| Thomas Leigh               | 2000        | —                                       | 42 Eliz.                  | 194/295                                                                      |

Henry, the third Earl, was Lord President of the Council of the North, a post in which he found expense in entertainment far exceeded revenue. By 1587 he was £20,000 in debt and thought he might be really bankrupt in six months if not helped. When he died in 1596, the debts were still equally huge, and they continued to weigh upon the estates well into the first decade of the next century. (H.M.C. Hastings MSS. ii, 12, 16, 37, 45, 52; Salis. MSS. iii, 275; Middleton MSS. 587; B.M. Lansd. MSS. 22/79, 81.)

*The Earl of Southampton:*

| Lender                                   | Amount<br>£ | Comment                         | Regnal<br>year of<br>loan | Reference: P.R.O.<br>Lord Chamberlain's<br>Office, Recognisances<br>for Debt |
|------------------------------------------|-------------|---------------------------------|---------------------------|------------------------------------------------------------------------------|
| Ed. Carril                               | 1500        | Repaid 3. vi.<br>anno 6 J.I     | 38 Eliz.                  | 193/49                                                                       |
| W. Cornwallis and Ed. Gage               | 8000        | Repaid 2. vii.<br>anno 40 Eliz. | 38 Eliz.                  | 193/142                                                                      |
| Mary, Dowager Countess of<br>Southampton | 1500        | —                               | 38 Eliz.                  | 193/136                                                                      |
| Ed. Rookwood and A. Kempe                | 8000        | Repaid 27. vi.<br>anno 41 Eliz. | 38 Eliz.                  | 193/142                                                                      |
| Sir John Spencer, Alderman               | 2000        | —                               | 1 J.I                     | 195/253                                                                      |

The Earl began with a rent-roll of nearly £5000. But he lived the life of the extravagant nobleman about the Court, until by 1598 his creditors had seized upon much of his ancestral properties, either by direct sale or by farm arising from mortgages. In 1598, he declared: 'I scarce know what course to take to live.' The repayment of the £16,000 in the same year was achieved by more large-scale sale of land, a device renewed after the Irish crisis. In 1601, he tried rebellion with the Earl of Essex as a solution of his troubles. (H.M.C. Salis. MSS. viii, 357; xi, 71; B.M. Lansd. MSS. 37/30.)

*The Earl of Essex* (see text, pp. 33-4).

*The Earl of Lincoln.* Between 1579 and 1581, the Earl, then Lord Admiral, seems to have been running up a host of small debts with tradesmen all over London. His son Henry ran into really serious difficulties in the 1590's, being actually incarcerated in a debtors' prison on one occasion. By 1601, his debts were 'many thousands' and he was busy trying to sell his town house in Cannon Row. At the same time, Robert Cecil cajoled him into buying an unwanted house in Chelsea, and then began squeezing him for payment with all the skill and rapacity of any professional moneylender. By 1604, his debt to Cecil had risen to £7000. (H.M.C. Salis. MSS. ii, 294, 326, 338, 388; ix, 75; x, 52, 305, 325; xi, 128, 171, 211, 448; xiii, 174, 177; xv, 90; xvi, 70; P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 194/114; 195/233, 322; Exchequer, King's Remembrancer, Decrees and Orders 19/138, 195, 258.)

*The Earl of Bedford:*

| Lender                                                              | Amount<br>£ | Comment                        | Regnal<br>year of<br>loan | Reference: P.R.O.<br>Lord Chamberlain's<br>Office, Recognisances<br>for Debt |
|---------------------------------------------------------------------|-------------|--------------------------------|---------------------------|------------------------------------------------------------------------------|
| Anne, Countess of Warwick                                           | 20,000      | Repaid 16 vii.<br>anno 15 J.I  | 37 Eliz.                  | 192/385                                                                      |
| Anne, Countess of Warwick<br>and Oliver, Lord St John<br>of Bletsoe | 20,000      | Repaid 16. vii.<br>anno 15 J.I | 40 Eliz.                  | 193/327                                                                      |
| Thos. Stephens, Middle Temple                                       | 4,000       | Repaid 13. v.<br>anno 44 Eliz. | 42 Eliz.                  | 194/294                                                                      |
| W. Russell                                                          | 20,000      | Repaid 16. vii.<br>anno 15 J.I | 1 J.I                     | 195/201                                                                      |

The second Earl was heavily in debt upon his death, thanks mainly to a style of hospitality so notable that it led the Queen to remark that he 'made all the beggars'.

The third Earl borrowed heavily during the 1590's from his aristocratic friends and relations, and finally became enmeshed in the Essex revolt. The £20,000 loan from his cousin Sir William Russell in 1604 was made to deter him from selling off Woburn and Covent Garden to pay his debts. As Sir William's son later became the fourth Earl, it was money well spent. (H.M.C. Salis. MSS. xiii, 266; Collins, *Peerage* (1779), i, 251; G. Scott-Thompson, *Life in a Noble Household*, p. 17.)

The only five affluent members of the higher aristocracy were the Earls of Kent, Bath, Hertford, and Warwick, and the newly-created Earl of Nottingham. The Dowager Countess of Warwick was so rich that she entered actively into the market as a large-scale moneylender to her decaying fellow-nobles.

## APPENDIX V

The economic situation of the Viscounts and Lords at about the turn of the century must be summarized for the sake of brevity:

*Lord Abergavenny.* Together with his son, Sir Henry Neville, he borrowed a total of £28,500 from London moneylenders between 1590 and 1603. (P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 192-4 passim.)

*Lord Zouche.* He borrowed £19,400 between 1594 and 1600. In 1602 he complained that his two embassies to Scotland and Denmark had beggared him and forced him to sell all his lands. (P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 192-4 passim; H.M.C. Salis. MSS. xii, 157; B.M. Lansd. MSS. 30/41.)

*Lord Audley.* In 1604 he was heavily in debt and begging for a grant of Irish lands to restore his fortunes. (H.M.C. Salis. MSS. xvi, 52, 384.)

*Lord Willoughby of Eresby.* In 1598-1600, he sold up much of his estates to pay his debts of £9300 (the ominous words *capta in rure* being recorded in the margin of the obligations). As a result he complained in 1601 that his income had been reduced to £900 p.a. On his death in the same year, his son begged for help, 'insolvable que je suis'. (P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 193/362-9, 194/229; H.M.C. Salis. MSS. xiv, 189; xi, 242, 292.)

Such was the cost of despising court intrigue and openly boasting that 'he was none of the reptilia'. (R. Naunton, *Fragmenta Regalia*, p. 74.)

*Lord Berkeley.* 'Henry the Harmless' ran through his fortune in a three-years' orgy at Court under Mary, followed by an interminably lengthy and exceedingly expensive lawsuit with the Dudleys. For his land sales see p. . In 1598 and 1600, he borrowed £26,000, of which £12,000 was from Sir John Spencer whom he repaid by the surrender of three manors. (P.R.O. Lord Chamberlain's office, Recognisances for Debt, 193/332, 360; 194/271. J. Smyth, *Lives of the Berkeleys*, II, 286, 359-60.)

*Lord Dacre of the South.* In 1585 he was trying to sell his entailed estates to pay off his debts. (S.P. Dom. Eliz. 176/37-39.)

*Lord Cobham.* Between 1596 and 1603 first the father, then the son and his brother borrowed no less than £29,900 for most of which there is no record of repayment, a fact which usually seems to mean that land was surrendered in exchange. There is ample evidence that by 1601, his situation was desperate and in that year he made a last minute effort to reorganize his estate management before it was too late. (P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 193-4 passim; H.M.C. Salis. MSS. x, 142; xi, 582; xvi, 31, 410-11.)

*Lord Stafford.* In 1599 his wife borrowed £4000 from the Lord Mayor of London, while some years previously he himself had been prosecuted in the Exchequer Court for a debt to the Queen. (P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 194/85; King's Remembrancer, Decrees and Orders, 16/146, 150; 19/134, 137, 217, etc.)

*Lord Grey of Wilton.* Between 1598 and 1601, he borrowed £12,000 all of which was repaid in 1603. At this time he complained to Cecil that he was in a desperate condition having mortgaged land worth £10,000 for a debt of £3000 and lacking the money to redeem it. (P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 194/6, 114, 423; H.M.C. Salis. MSS. xi, 548.)

*Lord Lumley.* In 1601 he was owing the Queen a debt of £11,000, which he could only hope to pay off by direct surrender of his lease of the palace of Nonesuch. (Cal. S.P. Dom. Addit. 1580-1625, p. 416.)

*Lord Dudley.* Between 1597 and 1602, he borrowed £12,000, though he had recourse to moneylenders frequently both before and after this period. However, his poverty confined him to the countryside, a fact which enabled him finally to weather the economic blizzard that was engulfing the less fortunate of his fellow-noblemen at court. (P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 192-5 *passim*.)

*Lord Morley.* He spent the years 1592-1600 in borrowing small sums, never over £1000 at a time, from yeomen, blacksmiths and the like. (P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 192-4 *passim*.)

*Lord Mounteagle.* Hard-pressed by recusancy fines, this catholic peer began in 1595 by borrowing a few hundred from time to time from small yeomen, until three years later he was raising sums as large as £3000 at a time from a great professional moneylender like John Robinson. His total borrowings from 1595 to 1603 amounted to £22,800, the bulk of which were not repaid until 1611. (P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 192-5 *passim*.)

*Lord Sandys.* In 1600, he borrowed £10,000, and a year later, after his complicity in the Essex revolt, he complained that he had by then sold so much land to pay his debts that the income from his estates amounted to only £237 p.a. (P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 194/218; H.M.C. Salis. MSS. xi, 182, 309; xiv, 94, 193.)

*Lord Vaux.* In 1592 he was so reduced that he was unable even to redeem the Parliament robes that he had pawned to a London citizen. (B.M. Lansd. MSS. 73/26.)

*Lord Windsor.* Between 1591 and 1603, he borrowed a total of over £28,000, the loans ranging from one to eight years. (P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 192, 194, 195 *passim*.)

*Lord Burgh.* Between 1590 and 1596, he borrowed the sum of £32,300 most of which is not recorded as having been repaid. One debt of £6000 to William Birblock, goldsmith, was not repaid till twenty years later. In 1590 he declared himself unable to redeem the property he had already mortgaged. (P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 192-3 *passim*; B.M. Lansd. MSS. 63/72. Cal. S.P. Dom. 1598-1601, p. 32.)

*Lord Mordaunt.* In the single last year of the Queen's reign, he borrowed, sometimes in conjunction with Lord Compton, no less than £12,100, for what purpose is by no means clear. (P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 195/40, 42, 111, 120, 143.)

*Lord Cromwell.* Between 1593 and 1603, he borrowed nearly £29,000 at a tempo that rose to a crescendo just before the Essex revolt. Lord Cromwell had been one of those that had staked his all upon the success of Essex's Irish expedition. Its failure and his dismissal from the not un lucrative post of colonel in the army in April 1600 was a major disaster for him. His pleas for a grant of woodland and a new military post by land or sea were rejected, and his plight grew worse as the year 1600 drew on. It would be interesting to know the feelings of Sir Edward Coke, when he learnt that a man to whom he had recently lent £10,000 had become involved in a revolt that might involve a conviction for treason and the confiscation of all property. Perhaps the leniency with which Lord Cromwell was treated was not altogether unconnected with this secret bond between State prosecutor and prisoner at the bar. Nevertheless, in 1604 he was busy selling off the last remnants of his estates. (P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 192-194 *passim*; for Coke's loan of £10,000 see *ibid.* 194/84; H.M.C. Salis. MSS. viii, 421; ix, 116; x, 9, 126, 140, 392; xi, 313, 342; xvi, 397.)

*Lord Eure.* Between 1595, when he came into the title, and 1598 he borrowed £10,100. He was ordered to go to Bremen as Commissioner for Trade negotiations in 1602 but to fit him out Robert Cecil himself had to stand security to enable him to raise a further loan of £2000. (P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 193-4 passim; H.M.C. Salis. MSS. xii, 249, 288, 537, 633, 677-8.)

*Lord Rich.* Between 1591 and 1600 he borrowed £17,400; in 1591 he got permission to sell some of his property to pay off part of his debts. In 1599 he was being prosecuted in the Exchequer for non-payment of a debt to the Crown. (P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 192-4 passim; Cal. S.P. Dom. 1591-4, p. 130; P.R.O. Exchequer, King's Remembrancer, Decrees and Orders, 25/231, 258, 278, 307-8.)

*Lord Sheffield.* Between 1591 and 1596 he borrowed £9400, while in the single regnal year 40 Eliz. he raised no less than £32,000, of which £20,000 was paid off by sale of lands to Edward Stanhope and to John Holles. In 1604 he claimed that he was still £10,000 in debt, and flatly told King James that the proffered royal help of a pension of £1000 a year was altogether insufficient to save him from ruin. Nevertheless, his name vanishes from the moneylenders' books after this date. (P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 192-3 passim; H.M.C. Salis. MSS. xvi, 396-7.)

*Lord Darcy of Chiche.* He was a retiring peer, living a life of somewhat somnolent torpor in the country on a rent-roll of £400 p.a., that had not risen in forty years of price revolution. His consternation at a royal command to go on Embassy to Germany in 1602 was pathetically genuine. Indeed, he had to borrow £2000 from Lord Lumley the next year in order to equip himself. (P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 195/103; H.M.C. Salis. MSS. xi, 516; xii, 4, 280.)

*Lord Chandos.* He borrowed £4000 in 1592 and £20,000 fourteen years later, for reasons unexplained. (P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 192/126, 195/435, 439.)

*Lord Hunsdon.* On the death of his father in 1596, he was left with a rent-roll of only £366 p.a. (H.M.C. Salis. MSS. vi, 304.)

*Lord St John.* In 1585 he was reported to be over £4000 in debt while between 1589 and 1596 he borrowed £17,700 mostly on short-term loans from the queen of aristocratic usurers, Anne, Dowager Countess of Warwick. (H.M.C. Gawdy MSS. 24; P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 22, 192-3 passim.)

*Lord De La Ware.* He entered the moneylenders' books quite suddenly in 1596 and in the next seven years he and his son borrowed no less than £30,600, involving the maintenance of a permanent overdraft of about £10,000. Well might his heir in 1602 lament the 'most broken estate' into which he entered. (P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 193-5 passim; H.M.C. Salis. MSS. xii, 166; B.M. Lansd. MSS. 71/77.)

*Thomas Cecil, Lord Burghley.* For all that he was the son of the old Lord Treasurer and elder brother of the Secretary of State, things did not go easily with him at first. For example he was obliged to sell the manor and estates at Westacre in Norfolk, formerly the possessions of the priory, to Sir Horatio Pallavicino some time in the early 1590's. In 1602-3 he indulged in some very heavy borrowing, to the tune of £20,500. This may, however, have been either to build up a war-chest in anticipation of civil war on the Queen's death, or to support the alternative insurance scheme of heavy land purchases which his

brother Robert seems to have adopted at this period. The Cecils were clearly amassing money and lands during the last year of Elizabeth to provide some security in case their succession schemes went awry. In this unique instance, therefore, borrowing was for some positive capital investment. (F. Blomfield, *History of Norfolk* (1805-10), ix, 162-3; P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 194-5 passim; P.R.O. Patent Rolls, 1602-3 passim.)

*Lord Compton.* The borrowing of this Lord outstrips that of all his fellow-peers. In fourteen years, between 1591 and 1605, he raised on bonds from money-lenders the prince's ransom of £105,900, the bulk of which remained unpaid for between five and ten years. At the very beginning of this fantastic orgy he was busy selling his family estates to the great merchant Henry Billingsley. (P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 192-5 passim; Cal. S.P. Dom. 1591-4, p. 130.)

*Lord Strange.* Frequently in conjunction with his father the Earl of Derby, he borrowed £14,600 between 1589 and 1592, much of which was not repaid by his heirs till the 1620's. (P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 192 passim.)

*Lord Howard of Waldon.* It was not till the beginning of the new reign that Lord Howard began a meteoric rise to power and wealth along with the rest of the Howard clan. On 21 December 1604, he was at last rich enough to pay off £20,000 of old debts, some of which had been outstanding since 1598. Before this auspicious change, however, he had pursued the not unusual course of the noble but bankrupt adventurer, staking his fortune time and again on a lucky scoop of piracy at sea. But luck had persistently failed him and his debts grew apace, recourse continually being had to the purse of Thomas Sutton, Sir John Spencer and the rest of the great London moneylenders. His borrowings between 1589 and 1603 ran to the truly colossal sum of £70,100. By cadging a manor here and there out of the parsimonious Queen, by clinging on desperately to illicit booty from Cadiz, he just managed to struggle on into the new reign, which offered prospects of turning his piratical proclivities from chasing elusive Spanish carracks in the Atlantic, to robbing the Royal Exchequer itself in London. (P.R.O. Lord Chamberlain's Office, Recognisances for Debt, 22, 192-5 passim; T. Birch, *Memoirs of the reign of Queen Elizabeth* (1754), II, 115; W. Murdin, *Burghley Papers*, p. 807. Cal. S.P. Dom. 1598-1601, p. 16.)

*Lord Mountjoy.* Royal favour, particularly under James saved this nobleman from the total ruin that had threatened his house 'through his grandfather's excesses in the action of Bulleigne, his father's vanitie in search of the Philosopher's-stone, and his brother's untimely prodigallity' (R. Naunton, *Fragmenta Regalia*, p. 131). Details of his father's unfortunate speculations in alum mining may be found in R. B. Turton, *The Alum Farm*.

# GERMAN ECONOMIC PENETRATION IN THE MIDDLE EAST, 1870-1914<sup>1</sup>

By W. O. HENDERSON

THERE has been a tendency for those who study the policy of the Germany of Wilhelm II in the Middle East to concentrate their attention unduly upon the Berlin-Bagdad Railway scheme. It is true that this grandiose project was of great significance not only from an economic point of view but also because it symbolized Germany's far-reaching political and territorial ambitions in Asiatic Turkey. But Germany's economic penetration of parts of the Middle East involved far more than the construction of a railway to Bagdad. This famous line engaged the attention of diplomats, and so accounts of the negotiations concerning the project appear in political histories. Other factors, however, deserve examination if the significance of Germany's economic penetration of the Middle East in 1870-1914 is to be appreciated. Irrigation and other public works, farming, trade, cotton, oil and settlement come into the picture as well as railways.

In the years immediately following the establishment of a united Reich in 1871 German manufactures made rapid progress and German industrialists and financiers sought new overseas markets and fresh sources of raw materials. Germany was late in the field, and the colonies that Bismarck secured in the eighties had only limited possibilities from the economic point of view. In the circumstances it was not unnatural that Germany should turn her attention to the Middle East.

There was another factor in the situation. The middle years of the nineteenth century had seen in Germany a struggle between those who favoured the establishment of a Greater Reich (to include the German-speaking subjects of Austria) and a Lesser Reich. Bismarck had founded a Lesser Reich. There were extremists who hoped to gain in the economic field what had been lost in the political struggle. They dreamed of a powerful industrialized Germany which would, from an economic point of view, dominate all Central Europe and the Balkans. They hoped to secure the support of Germans living in Austria-Hungary and the Balkans.

<sup>1</sup> See R. Menz, *Deutsche Arbeit in Kleinasien* (Berlin, 1893); N. Verney and G. Dambmann, *Les puissances étrangères dans le Levant* (Paris, 1900); V. Chirol, *The Middle Eastern Question* (1903); Angus Hamilton, *Problems of the Middle East* (1909); H. Grothe, *Die asiatische Türkei und die deutschen Interessen* (Halle a/S, 1913); K. Helfferich, *Die deutsche Türkenpolitik* (Berlin, 1921); M. Moukhtar, *La Turquie, l'Allemagne et l'Europe...* (Paris, 1924); H. Holborn, *Deutschland und die Türkei* (Berlin, 1928); H. Hoskins, *British Routes to India* (Philadelphia, 1928); Hans Kohn, *Die Europäisierung des Orients* (Berlin, 1934); and A. Raab, *Die Politik Deutschlands im nahen Orient 1878-1907* (Vienna, 1936). There is much useful statistical information in the *Levante-Handbuch* (3rd ed.; Berlin, 1914), edited by Davis Trietsche.

And if a German *Mitteleuropa* were established then a new vista appeared to the extreme Pan-Germans—the dream of ‘a real territorial empire, founded on a coherent chain of German settlements along the Danube and perhaps along the German-built railway through Asia Minor...’<sup>1</sup>

The Middle East was a territory of about 4½ million square kilometres with an estimated population of 35 million.<sup>2</sup> It had formerly been of great significance both as a transit region and as a centre of agricultural production. In the ancient world the products of the farms, the forests and the mines of the Middle East had been of fundamental importance to the economy of the Mediterranean region. In the Middle Ages the caravan routes from the Persian Gulf to the ports of the Levant had carried much of the trade between Europe and the Far East. Owing to the domination of the Middle East by the Turks most of this trade had for centuries gone by sea round the Cape of Good Hope, though in the seventeenth century the English Levant Company (which had an important trading station at Aleppo) was still able to use the old land route. With the opening of the Suez Canal (1869), however, the Middle East again became of significance as a transit region.

Gross Turkish misgovernment and neglect had greatly restricted the economic productivity of the Middle East. In Syria and Palestine many of the terraces for the cultivation of the hillsides had long fallen into utter decay with the result that there had been much erosion.<sup>3</sup> In Mesopotamia virtually nothing was done to revive the ancient system of irrigation.<sup>4</sup>

Two things were required for the economic recovery of the Middle

<sup>1</sup> A. Mendelssohn-Bartholdy, *The War and German Society* (New Haven: Yale University Press, 1937), p. 206 n.

<sup>2</sup> I.e. Asiatic Turkey, Egypt and Persia.

<sup>3</sup> W. C. Lowdermilk states that in 1850 the population of Palestine was under 200,000. ‘By the middle of the nineteenth century the conditions of the population and the land reached their lowest ebb. Insecurity prevailed and Bedouins plundered farms and robbed travellers and caravans on the road. Petty officials cruelly exploited the defenceless fellaheen. The grazing culture of the desert Arabs completely replaced the refined ancient agriculture. Herds of goats overran the country, leaving the land defenceless before run-off from the heavy winter rains which year after year eroded soils into the valleys and out to sea.’ (*Palestine, Land of Promise* (1945), pp. 59–60.)

<sup>4</sup> The Admiralty’s Geographical Handbook on *Iraq and the Persian Gulf* (1944) observes: ‘The common view that the ruin of the land [i.e. Mesopotamia] was effected in a few years by the destruction of irrigation head-works at the hands of Mongol invaders in the thirteenth or fourteenth centuries A.D. is certainly false. Some of the Euphrates canals were still in use in the early nineteenth century when Chesney sailed down the Saqlawiya—the Abbasid Nahr Isa—into the Tigris, but all had suffered from administrative neglect and from the gradual silting up of both main and branch canals over a period of centuries. It is relatively easy for local cultivators to maintain some head of water in their distributaries by their own efforts and at the expense of weaker neighbours, but when it becomes uneconomical to clear the silt from the canal bed because of the increasing height of the banks, a new channel can be cut alongside. But it needs a strong central government to co-ordinate these efforts, to ensure the economic use of water, and, above all, to develop new schemes necessitated by changes in the course of the rivers which supply the water’ (pp. 433–4).

East—the introduction of European capital and technical skill combined with a genuine reform of the corrupt Turkish system of administration. If this were done progress might be expected in extending in Anatolia the production of wheat, wool, mohair, figs and nuts; the rearing of horses; the manufacture of carpets; and the mining of chrome, lead and copper. The rich timber and copper resources of the Taurus Mountains might be adequately exploited. Mesopotamia might rival Egypt as a centre of cotton production, while Syria, the Lebanon and Palestine might develop their production of grapes, oranges and other fruits.

As early as the forties of the nineteenth century there were Germans who drew attention to the economic possibilities of the Middle East. Von Moltke visited Constantinople in 1841 and advocated the establishment of German settlements in Palestine.<sup>1</sup> At the same time Friedrich List wrote: 'All the Continental Powers have . . . a common interest that neither of the two routes from the Mediterranean to the Red Sea and to the Persian Gulf should fall into the exclusive possession of England, nor remain impassable owing to Asiatic barbarism. To commit the duty of protecting these important points to Austria would ensure the best guarantee to all European nations.'<sup>2</sup>

There was, however, little German economic activity in the Mediterranean or in Asiatic Turkey in the middle years of the nineteenth century, though reference may be made to the far-reaching plans of Freiherr von Bruck (who played a leading part in founding the Austrian Lloyd shipping company of Trieste)<sup>3</sup> and to the settlement of some small 'Templer Colonies' in Palestine.<sup>4</sup>

Some years later Germans again showed a lively interest in the economic potentialities of the Middle East. Dr Sprenger for example wrote a book called *Babylon—the richest land in Ancient Times*.<sup>5</sup> He claimed that 'Asia Minor is the only territory in the world which has not yet been monopolized by a Great Power. And yet it is the finest field for colonization. If Germany does not miss the opportunity and seizes it before the Cossacks grab it, she will have secured the best part in the division of the world.' Dr Sprenger's views had some influence upon German public opinion in the eighties. Subsequent research showed that he had considerably exaggerated the area of Mesopotamia under cultivation in ancient times. In 1892 Carl Kaerger advocated the exploitation of Asia Minor which would

<sup>1</sup> See quotations from von Moltke's writings in C. Andler, *Les Origines du Pangermanisme* (Paris, 1915), pp. 161–4.

<sup>2</sup> F. List, *The National System of Political Economy*, 1841 (English trans. by S. S. Lloyd, 1928), p. 337.

<sup>3</sup> See R. Charnatz, *Minister Freiherr von Bruck. Der Vorkämpfer Mitteleuropas* (Leipzig, 1916), for Bruck's activities and plans.

<sup>4</sup> W. Mönckmeier, *Die deutsche überseeische Auswanderung* (Jena, 1912), pp. 225–6 and Davis Trietsch, *Levante-Handbuch* (Berlin, 1914), pp. 187–8. In 1914 there were over 1700 German settlers in Palestine in agricultural colonies. They prospered so well as 'to excite the resentment of the natives.' (W. H. Dawson, *The Evolution of Modern Germany* (1911), p. 344.)

<sup>5</sup> Alois Sprenger, *Babylonien, das reichste Land in der Vorzeit* (Heidelberg, 1886).

be an ideal 'field for German colonization'<sup>1</sup> and in 1897 Carl Kannenberg drew attention to the mineral wealth of the same region.<sup>2</sup> At the same time the Pan-German League issued a pamphlet with the self-explanatory title, *Germany's Claims to the Turkish Inheritance*.<sup>3</sup>

There was little time to lose if Germany were to establish her influence in the Middle East, for in the eighties and nineties other countries were awakening to the possibility of exploiting the resources of the Ottoman Empire and neighbouring territories. Great Britain had many interests in the Middle East. British investors held about 29 % of the Turkish Government debt in 1881. The British Government had in 1875 secured 176,000 shares in the Suez Canal Company. Cyprus was under British administration (1878). After Britain's victory at Tel el Kebir her Minister and Agent wielded great authority in Egypt. Great Britain had old well-established political and economic interests in the Persian Gulf and the Shatt el Arab where she tried to suppress slave-trading and gun-running. Messrs Lynch Brothers ran a regular shipping service on the Tigris and Euphrates while for some years British commercial houses virtually monopolized Mesopotamia's trade. Commerce between Bagdad and Persia on the route running through Kermanshah was in British hands. Baron Reuter (a British subject) secured financial and mining concessions in Persia in the nineties. In the twentieth century, however, British interests in Turkey declined somewhat partly because—in the words of Sir Edward Grey—'a very poor set of financiers had got commercial enterprise in Turkey in their hands'.<sup>4</sup>

Russia, too, was showing an increasing interest in the Middle East. In 1878 she gained Kars and Batum while in the eighties she established her authority in the Transcaspien (Turcoman) District. Between 1888 and 1897 her trade with Persia increased in value from £2,000,000 to £3,500,000. From 1901 onwards the Russian Steam Navigation Company sent the *Kornilov* on a series of voyages from Odessa to the Persian Gulf and Bombay.

The French had well-established commercial interests in the Near East, particularly in Egypt and Syria. It was reported that in 1881 French investors held nearly 39 % of the Turkish Government debt while in 1902 an official inquiry estimated that French investments in Asiatic Turkey amounted to 354 million francs.

In the eighties and nineties the Germans began to forge ahead in Turkey. In 1880–1 the virtual bankruptcy of the Turkish government led to the establishment of the Ottoman Public Debt Administration on the

<sup>1</sup> Carl Kaerger, *Kleinasien, ein deutsches Kolonisationsfeld* (Berlin, 1892).

<sup>2</sup> Carl Kannenberg, *Kleinasiens Naturschätze* (Berlin, 1897).

<sup>3</sup> *Deutschlands Ansprüche an das türkische Erbe* (Munich, 1896). Some English and French writers have considered this to be a document of importance, but an American historian of the Pan-German League considers that the pamphlet 'was not made much of even by the League and is of no particular importance'. (M. S. Wertheimer, *The Pan-German League* (New York, 1924), p. 170.)

<sup>4</sup> Quoted by H. Feis, *Europe, The World's Banker 1870–1914* (New Haven: Yale University Press, 1930), p. 331.

Council of which the German bondholders had a representative.<sup>1</sup> In 1888 the *Deutsche Bank* arranged a loan for the Sultan after the *Banque Impériale Ottomane* had declined to do so. Shortly afterwards the *Deutsche Bank* not only secured important interests in Balkan railways (by acquiring shares in the *Betriebsgesellschaft für Orientalische Eisenbahnen*) but also played a leading part in the establishment of the Anatolian Railway Company (1889).<sup>2</sup> Next came an understanding with the *Banque Impériale Ottomane* for co-operation in financial operations in Turkey.<sup>3</sup> The German Levant Line opened up a direct shipping service between Hamburg and Constantinople. In the late nineties the commercial house of Wonckhaus began trading operations at Bagdad, Abadan and Bushire. The value of goods sent from Hamburg to Turkey rose from £66,000 in 1890 to £520,250 in 1898. The Turkish Government began to place contracts with Krupp of Essen for war materials.<sup>4</sup> Germany's commercial offensive achieved a considerable measure of success. German traders, supported by their Consuls, vigorously pushed their wares and made every effort to meet the needs of new customers. German goods might be of low quality but they were cheap.<sup>5</sup>

Military missions under Köhler (1880) and von der Goltz (1883)<sup>6</sup> reformed the Turkish army and gained considerable influence at Constantinople. In 1889 the young Kaiser paid his first visit to Abdul Hamid. In 1897 Marschall von Bieberstein took up his post as German Ambassador to the Porte. He was an able diplomat and successfully fostered German political and economic ambitions in the Ottoman Empire. Shortly after his arrival he wrote an optimistic report on Germany's trade prospects. He stated that there was 'plenty of scope for useful future expansion for solid enterprises, employing German capital and German industry. There are—quite apart from special services for the army—railways, ports and

<sup>1</sup> It was not until 1913–14 that the German bondholders felt strong enough to demand that they should have a second representative on the Council of the Turkish Public Debt Administration and that a German should be President of the Council in rotation with the British and French representatives. Nothing came of the proposal.

<sup>2</sup> The *Deutsche Bank* was also interested in the Bank for Oriental Railways (Zürich) which was used to finance the Anatolian Railway. The *Württembergische Vereinsbank* (Stuttgart) was associated with the *Deutsche Bank* in acquiring railway rights in the Balkans.

<sup>3</sup> Memorandum by Sir Adrian Block to the British Government: see H. Feis, *op. cit.* pp. 321–2.

<sup>4</sup> In the Russo-Turkish War (1877–8) the Turkish artillery was composed of 'Krupp's steel breech-loaders' which were 'superior to the bronze pieces of the Russians'. F. V. Greene, *The Campaign in Bulgaria 1877–8* (1903), p. 3.

<sup>5</sup> A Turk told a French journalist: 'Mon grand-père a acheté sa sacoche à un Français; il l'a payée deux livres; elle était en cuir. Mon père l'a achetée à un Anglais; il l'a payée une livre; elle était en toile cirée. Moi, je l'ai achetée à un Allemand; je l'ai payée deux medjidiés (huit francs); elle est en carton verni.' (Gaulis, *La Ruine d'un Empire*, p. 143, quoted by J. A. R. Marriott in *The Eastern Question* (1930), p. 395.)

<sup>6</sup> This distinguished soldier and scholar crowned his career by defeating Townsend at Kut in 1916. He died at Bagdad shortly afterwards.

bridges to build, electrical works to erect for lighting, tramways etc., and the really wretched condition of most of the steamers that ply regularly here offers good chances for German competition. We shall naturally not be left alone to do all this, and certain concessions will be granted to others. But one thing we must claim for ourselves, and that is the connecting up of the present sphere of interests of the Anatolian Railway with the river districts of the Tigris and Euphrates, and so on to the Persian Gulf.' Against the last sentence the Kaiser wrote in the margin: 'Without question.'<sup>1</sup>

In the autumn of 1898 the Kaiser went to Constantinople for the second time and also visited Damascus and Jerusalem.<sup>2</sup> The visit coincided with the granting to the Anatolian Railway Company of a concession at Haidar Pasha (by Scutari) which was to be the new terminus and the western port of the Berlin-Bagdad Railway. The harbour, built in 1899-1903, had a 600-metre breakwater with a lighthouse at either end. This was constructed parallel to the coast to protect the port from winter gales. Large quays, warehouses, granaries and cranes were provided. The imposing railway station—designed by Cuno and built by Holzman and Company—was opened in 1909. The new European quarter at Haidar Pasha soon had a population of 35,000. In 1912 the harbour was used by 166 steamships and 179 sailing vessels. A train-ferry at Haidar Pasha enabled passengers to travel in Asia by the same coach that they had used in Europe.

Meanwhile, progress was being made with the railway itself.<sup>3</sup> As soon as direct railway communication was established between Berlin and Constantinople (1888) a group of German banks—led by the *Deutsche Bank*—formed the Ottoman Railway Company of Anatolia. The Ankara-Eskisehir branch was completed in 1892, and the main line from Scutari to Konia<sup>4</sup> was opened shortly afterwards. Most of these lines were built by the Frankfurt firm of Holzman and Company.

In 1902-3 the Company secured from the Ottoman Government a concession to extend the line to Bagdad and the Persian Gulf with a branch

<sup>1</sup> Marschall to von Hohenlohe, 5 March 1898, in E. T. S. Dugdale, *German Diplomatic Documents 1871-1914* (1929), II, 467-8. For Marschall's work at Constantinople see E. Lindow, *Freiherr Marschall von Bieberstein als Botschafter in Konstantinopel 1897-1912* (Danzig, 1934).

<sup>2</sup> The tour was arranged by Messrs Thos. Cook and Co. Apparently in 1898 no German travel agency had developed its business in the Near East sufficiently to undertake the organization of such a tour.

<sup>3</sup> It may be observed that the German scheme was a revival of an earlier British project. A Euphrates Valley Railway Company had been formed in 1854 to connect the Mediterranean and the Persian Gulf by rail (see Sir W. P. Andrew, *Memoir on the Euphrates Valley Railway Route* (1857), and articles in the *National Review*, xxxix, 432-73; *Quarterly Review*, Oct. 1917, and the *United Empire*, July 1917, pp. 425-32). In 1872 a Parliamentary Committee reported favourably on a similar scheme. In 1879 a Euphrates Valley Association was formed.

<sup>4</sup> A short section of the line (Scutari to Ismit) had been opened by the Turks in 1873. It was reported in 1913 that 'since the construction of the port of Haidar Pasha, Ismit has lost a great deal of its importance'. (*Report for 1913 on the Trade of the Consular District of Constantinople*, Cmd. 7048-191 of 1914.)

to Khanikin. A new company—the Imperial Ottoman Bagdad Railway Company—was established to build and run the new line.<sup>1</sup> German commercial and industrial interests seem to have taken an almost purely business view of the plan, but the Kaiser and some of his advisers regarded the scheme as a means of extending German political influence in Turkey.

Many difficulties delayed the project. Russia criticized the original route which was uncomfortably close to her own frontier, and the plan was consequently changed. By the Potsdam Agreement of 1909 Russia withdrew her objection to the construction of a branch of the Bagdad Railway to Khanikin near the Persian frontier. As early as 1899 the Government of India issued a warning that ‘the obvious corollary to a system of German railways in Asia Minor would be similar railroads to the Persian border and through Mesopotamia to the Persian Gulf’.<sup>2</sup> In 1903 Lord Lansdowne announced that Great Britain would resist any attempt of a foreign Power to establish a fortified port on the Persian Gulf. And in 1905 the Committee of Imperial Defence declared that Britain ‘should have a share in the control of the extension of the Bagdad Railway to the Persian Gulf with a view to ensuring the effective neutralization of the terminus’.<sup>3</sup> Great Britain was also interested in maintaining her trade in Mesopotamia and in the development of cotton-growing in that territory. Sir William Willcocks had prepared for the Turkish government a great irrigation scheme for Mesopotamia. The first instalment of the plan was the Hindiya Barrage. It was constructed by the firm of Sir John Jackson and was opened in 1913.<sup>4</sup> When the Royal Navy began to build oil-driven ships Great Britain naturally became interested in the oil-bearing districts of Mesopotamia and Persia and supported the Anglo-Persian Oil Company (in which it had large investments) against its German, Dutch and American rivals. By 1908 the leading promoters of the Bagdad Railway realized that foreign opposition was too strong for them. Helfferich admitted to von Gwinner that ‘the dream of a Bagdad Railway—German to the Gulf—is over’.<sup>5</sup> It was, however, not until 1914 that Germany and Great Britain came to an agreement on the Bagdad Railway which safeguarded British political and economic interests in the region to be served by the last section of the railway from Bagdad to Basra.<sup>6</sup>

<sup>1</sup> The Bagdad Railway Convention of 5 March 1903 and the most important articles of the Statutes of the Imperial Ottoman Bagdad Railway Company are printed by Angus Hamilton, *Problems of the Middle East* (1909), pp. 452–80.

<sup>2</sup> G. P. Gooch and Harold Temperley, *British Documents on the Origins of the War*, iv, 357.

<sup>3</sup> *Ibid.* vi, 325.

<sup>4</sup> The Germans were financially interested in this scheme: see Sir Thomas Holdich, *Boundaries in Europe and the Near East* (1918), p. 211.

<sup>5</sup> Helfferich to von Gwinner, 30 November 1908, in E. T. S. Dugdale, *op. cit.* iii, 365.

<sup>6</sup> See Alwyn Parker, ‘The Bagdad Railway Negotiations’ (*Quarterly Review*, October 1917) and documents in Gooch and Temperley, *op. cit.* x (pt. ii), 329–402. The Anglo-German agreement of 1914 was initialled but owing to the outbreak of war it was never signed. Among the points settled in 1914 were the following: (a) two British subjects were to be appointed to the Board of the

The continuation of the Bagdad Railway was also hindered by political unrest in Turkey—such as the fall of Abdul Hamid during the Young Turk revolution—and by financial difficulties. Insufficient capital was raised in Germany itself, and British financiers were reluctant to co-operate on the terms proposed by von Gwinner and his colleagues. Discussion between von Gwinner and Sir Ernest Cassel in 1909–10 had no immediate results.<sup>1</sup>

Despite these difficulties the Bagdad Railway reached Bulgurlu at the foot of the Taurus Mountains in 1904. This remained the terminus until 1911. Then construction was resumed and by 1914 the line reached Ras el Ain some 200 miles beyond Aleppo. In the last section of the line there were some gaps in the Taurus and Amanus Mountains where various tunnels were not ready. The Mediterranean ports of Mersina and Iskenderon (Alexandretta) were linked to the Bagdad Railway. The existing Mersina-Tarsus-Adana line was incorporated in the German-controlled railway system in 1906 while the Toprakkale-Iskenderon branch was opened in 1913. The Railway Company began to build new quays at Iskenderon. In Mesopotamia the Bagdad-Samarra section of the line was under construction in 1914. During the War of 1914–18 the Germans continued the main portion of the railway from Ras el Ain to El Helif and Nusaybin. A river port was constructed at Carablu where the line crossed the upper Euphrates.<sup>2</sup>

At the same time that the Germans were building the Bagdad Railway they were indirectly interested in another important Turkish line. This was the 1126 mile narrow gauge Hejaz line which was constructed in 1900–8 by the Sultan and ran from Damascus to Medina. Ostensibly the building of the line had a twofold object. From an administrative and military point of view the line brought distant provinces into much closer touch with Constantinople than they had been previously. From a religious point of view the new line greatly facilitated pilgrimages and much of the

Bagdad Railway Company; (b) the line would not be continued beyond Basra without Great Britain's consent; (c) a company (with half its capital in British hands) would be formed by Lord Inchcape to control the Tigris-Euphrates navigation; and (d) the Turkish Petroleum Company (in which the Anglo-Persian Oil Company and a German-Dutch group would hold equal shares) would exploit Mesopotamia's petroleum resources (see E. M. Earle, 'The Turkish Petroleum Company' in the *Political Science Quarterly*, June 1924).

<sup>1</sup> See Lovat Fraser, 'The Position in the Persian Gulf' (*National Review*, vol. L, 1907); 'Why help the Bagdad Railway?' (*ibid.* vol. LVII, 1911); and 'The Baron and his Bagdad Railway' (*ibid.* vol. LIX, 1912).

<sup>2</sup> See Paul Rohrbach, *Der deutsche Gedanke in der Welt: Die Bagdadbahn* (Berlin, 1903; Leipzig, 1910); André Chéradame, *Le Chemin de fer de Bagdad* (Paris, 1903); A. Murabet, *Le Chemin de fer de Bagdad* (Brussels, 1913); C. A. Schaefer, *Die Entwicklung der Bagdadbahn Politik* (Weimar, 1916); Morris Jastrow, *The War and the Bagdad Railway* (Philadelphia, 1917); K. H. Müller, *Die wirtschaftliche Bedeutung der Bagdadbahn* (Hamburg, 1917); E. M. Earle, *Turkey, the Great Powers and the Bagdad Railway* (New York, 1923); Karl Helfferich, *Georg von Siemens* (3 vols.; Berlin, 1923); J. B. Wolf, *The Diplomatic History of the Bagdad Railway* (University of Missouri Studies, April 1936, xi (ii)); L. Ragey, *La question du chemin de fer de Bagdad 1893–1914* (Paris, 1936) and documents in G. P. Gooch and Harold Temperley, *op. cit.* II, 174–96.

money to build it was subscribed by faithful Moslems. But German engineers—such as Meissner Pasha—played a prominent part in building the line. The writers of the official British history of military operations in the Middle East in 1914–18 may well be correct when they write of this railway: ‘The Sultan Abdul Hamid, whose dearest project it was, saw in it the consolidation of his authority; Germany looked forward to controlling through him Western Arabia, to threatening British communications in the Red Sea, to decreasing the political and military, and even (though to a much smaller extent) the economic, importance of the Suez Canal.’<sup>1</sup> In 1914 German commercial influence was already dominant in Haifa which was eventually expected to develop into the Mediterranean terminus of the Hejaz Railway.<sup>2</sup>

Although the Bagdad Railway was far from complete in 1914 it was already beginning to have significant economic results. The new port of Haidar Pasha handled 6 % of Turkey’s trade. In Adana (Cilicia) province in Anatolia ‘the advent of the Bagdad Railway into remoter parts of the vilayet has had the effect of bringing large tracts of good arable land under the plough’.<sup>3</sup> The *Levantinische Baumwollgesellschaft* fostered cotton-growing in this region. The principal offices, experimental gardens and factory of the firm were at Adana on the Bagdad Railway.<sup>4</sup> The activities of the Germans helped to increase the cotton production of Asiatic Turkey from 60,000 bales in 1904 to 92,000 bales in 1908. A German firm—subsidiary to the Bagdad Railway Company—secured in 1909 a concession to irrigate parts of the Konia Plain for wheat-growing. By 1912 a system of canals drawing water from Lake Beışchir (or Kiril Gör) was irrigating an area of 40,000 hectares. The possibility of growing cotton, wheat, maize, opium and tobacco in Mesopotamia also aroused Germany’s interest,<sup>5</sup> and Germans gave financial support to the £26,000,000 irrigation scheme planned by Sir William Willcocks. By 1914 German engineers were boring for oil at Quaiyara (by Mosul) and German financiers had a share in the new Turkish Petroleum Company.

German ships served many ports in the Middle East. The Levant Line ran several services in these waters. The Hamburg-America line maintained a service to Basra and ran ships direct from the United States to

<sup>1</sup> Sir George Macmunn and Cyril Falls, *Military Operations. Egypt and Palestine*... (1928), I, 211. There is a chapter on the Hejaz Railway in Angus Hamilton, *Problems of the Middle East* (1909), pp. 273–92.

<sup>2</sup> The little port of Haifa had at that time only an open roadstead but it had the advantage of being protected by the promontory of Mount Carmel.

<sup>3</sup> *Report for 1913 on the Trade of the Consular District of Constantinople* (Cmd. 7048–191 of 1914), p. 26.

<sup>4</sup> *Die Baumwolle in Klein-Asien* (reports of the *Deutsch-Levantinische Baumwollgesellschaft* to the Brussels Cotton Congress of 1910) and *Die Baumwollfrage* (*Veröffentlichungen des Reichskolonialamtes*, no. 1; Jena, 1911).

<sup>5</sup> Prince Bernhard von Bülow declared with typical enthusiasm in his book on *Imperial Germany* (English trans. 1914) that the Euphrates-Tigris region could ‘hardly be surpassed for fertility and for its great possibilities of development in the future’. ‘If one can speak of boundless possibilities anywhere, it is in Mesopotamia’ (p. 96).

Constantinople. German shipping passing through the Suez Canal rose from 2½ million tons in 1907 to 3 million tons in 1912. Over forty German steamships used the harbours of Mersina, Tripoli (Syria) and Beirut in 1912. Over 200 ships passed through the Straits from the Mediterranean to the Black Sea and in the reverse direction in 1913. German banks—such as the *Deutsche Bank*, the *Deutsche Orientbank*<sup>1</sup> and the *Deutsche Palästina Bank*—played an increasingly important part in the economic life of the Middle East. When the Germans were temporarily out of favour at Constantinople owing to the fall of their friend Abdul Hamid the *Deutsche Bank* helped to restore good relations by granting the new Turkish government a loan which had been refused by French financiers (1910). The Imperial German Post Office (*Reichspost*) had its own post-offices in Constantinople, Smyrna, Beirut, Jaffa and Jerusalem. German trading interests in Turkey were expanding. The German-owned share of the Turkish Government Debt rose from a mere 5 % in 1881 to about 20 % in 1914. In 1887 Turkey's imports from Germany amounted to 6 %: in 1910 the figure was 21 %. The value of Germany's total trade with Turkey rose from £5,580,000 in 1908 to £8,620,000 in 1913. Textile exports to Turkey alone amounted to £1,400,000 in 1911-12.<sup>2</sup>

Military influence in Turkey went hand in hand with commercial influence. In 1913 General Otto Liman von Sanders—the future defender of the Dardanelles—was appointed head of the Turkish army corps in Constantinople. In the same year Germany was discussing with her allies of the Triple Entente a possible division of the Ottoman Empire in the event of that state collapsing. 'Germany meant to reserve to herself the central portion of Asia Minor, Aleppo and northern Mesopotamia, as well as the harbours of Alexandretta, Mersina and Adana.'<sup>3</sup>

Germany's economic interests in Persia though far smaller than those in Turkey were not without significance. Great Britain and Russia had older and more substantial interests in Persia than Germany, and these two powers came to an agreement in 1907 on spheres of influence. There was a central neutral zone in Persia which lay between the Russian zone in the north and the British zone in the south-east. By the Potsdam Agreement of 1909 Germany renounced her claims to commercial concessions in the Russian zone. Russia agreed to the construction of the Khanikin branch of the Bagdad Railway. The extension of this proposed line to

<sup>1</sup> The *Deutsche Orientbank* of Berlin and Hamburg (linked with the *Nationalbank für Deutschland* of Berlin) had overseas branches in Constantinople, Dedeağatch, Aleppo, Minich, Tenteh, Beni-Souet, Memsourah, Brussa, Alexandria, Cairo, Tangier, Casablanca and Tehran.

<sup>2</sup> Germany's trade with Turkey was of course only a tiny fraction of her total overseas trade. In 1910 Germany's imports from European Turkey represented 0.2 % and her imports from Asiatic Turkey 0.5 % of her total imports. In the same year Germany's exports to European Turkey were 1 % and to Asiatic Turkey 0.4 % of her total exports (Table in Werner Sombart, *Die deutsche Volkswirtschaft im 19ten Jahrhundert...* (6th ed.; Berlin, 1923), pp. 526-7).

<sup>3</sup> Erich Brandenburg, *From Bismarck to the World War... 1870-1914* (1927), p. 457. Adana, however, is not a sea-port.

Tehran was to be built by Russian concessionaires.<sup>1</sup> Germany may well have hoped to strengthen her commercial position in the neutral zone. In 1909 Wassmuss was appointed German Consul to the Persian Gulf. During his first short stay—he left in 1910—his forceful assertion of Germany's rights caused some concern to Major Percy Cox, the British Consul General at Bushire.

At this time it was stated that considerable quantities of German goods (under the guise of Russian goods) were being imported into western Persia. In 1910 the British Ambassador in Berlin was told that Germany demanded in Persia 'the Open Door and a fair field for German capitalists and exporters'.<sup>2</sup> In the years before the War of 1914-18 the Germans were actively promoting a scheme to irrigate the Karun valley. A branch of the *Deutsche Orientbank* was opened at Tehran. Cultural relations were fostered by the establishment of a German College (1907). Germany's exports to Persia increased from £110,000 in 1908 to £406,500 in 1911. In the same period her imports from Persia rose from £10,000 to £55,000. The ground was being prepared for the Wassmuss mission to Persia which did some mischief to the Allied cause during the War of 1914-18.<sup>3</sup>

*German Trade with the Middle East 1908-13\**

|               | In million marks |       |        |        |        |       |
|---------------|------------------|-------|--------|--------|--------|-------|
|               | 1908             | 1909  | 1910   | 1911   | 1912   | 1913  |
| Imports from: |                  |       |        |        |        |       |
| Turkey        | 47·56            | 57·29 | 67·45  | 70·09  | 77·65  | 73·93 |
| Egypt         | 38·37            | 51·50 | 64·10  | 64·70  | 80·63  | —     |
| Persia        | 0·20             | 0·32  | 0·79   | 1·11   | —      | —     |
| Exports to:   |                  |       |        |        |        |       |
| Turkey        | 64·07            | 78·92 | 104·87 | 112·88 | 112·84 | 98·42 |
| Egypt         | 23·22            | 23·43 | 26·19  | 31·15  | 27·29  | —     |
| Persia        | —                | 0·12  | 0·46   | 0·22   | 0·14   | 0·15  |

\* Davis Trietsch, *Levante-Handbuch* (Berlin, 1914), p. 201.

*Technical College, Wolverhampton*

<sup>1</sup> For the struggle for spheres of influence in Persia at this time see W. Morgan Shuster, *The Strangling of Persia* (1912).

<sup>2</sup> Sir W. E. Goschen to Sir C. Harding, 14 April 1910 in G. P. Gooch and Harold Temperley, op. cit. vi, 464.

<sup>3</sup> See R. Machray, 'The Germans in Persia' (*Fortnightly Review*, 1916, pp. 342-53); G. Demorgny, *La Question Persane et la Guerre* (Paris, 1916); and Christopher Sykes, *Wassmuss. The German Lawrence* (Tauchnitz ed. 1937).

# W. PLAYFAIR, THE EARLIEST THEORIST OF CAPITALIST DEVELOPMENT

By HENRYK GROSSMAN

SIMONDE DE SISMONDI is regarded as the earliest representative of the doctrine of the objective tendencies of capitalist development. But Sismondi reflects not so much the French as the English industrial experience, and we know that in 1817 he went to England, the home country of the Industrial Revolution, to collect material for his *Nouveaux Principes*. This is not surprising: British capitalism was the most developed at that time. It would be surprising, however, if the basic trends of capitalism, which manifested themselves in early nineteenth-century England more clearly than anywhere else, had not left any trace in English economic literature. In Playfair we rediscover a missing link; it shows that the English industrial experience found its expression not only indirectly, via Sismondi in France, but also directly in England.

'Trend spotting', or discovery of the objective developmental trends of capitalism, is the primary aim of modern economic science. It is also one of the essential elements of Marxian economics. Nevertheless, there prevails great confusion about the genesis of this important doctrine. Some writers attribute the first formulation of the fundamental tendencies of capitalism to Karl Marx; others maintain that Marx borrowed them from his forerunners, particularly Sismondi.

Can one agree with Professor Charles Rist who declares that of all the ideas that Marx took over from Sismondi

'the most important is the idea of the concentration of wealth in the hands of a small number of owners, and of the increasing proletarianization of the labouring masses. . . . This conception which . . . remains one of the foundations of Marxian collectivism is Sismondi's.'<sup>1</sup>

Nothing is more contrary to truth than this assertion. The concentration of wealth, the trend toward large-scale production, and the growing proletarianization of the working classes in the first half of the nineteenth century were not theoretical conceptions, but statements of empirically observable facts. Marx did not have to 'borrow' from Sismondi facts that could be easily ascertained from contemporary English industrial statistics and that served as the common starting-point for all critiques of capitalism by the leaders of the working-class movement in France in the middle of the nineteenth century.

Who was the first to discover and to establish these objective tendencies? In the preface to the first volume of *Capital* (1867) Marx declares that 'it is the ultimate aim of his work to lay bare the economic law of motion of modern society', namely, to show 'its tendencies', which Marx regards as

<sup>1</sup> Charles Rist et Charles Gide, *Histoire des doctrines économiques* (Paris, 1909), p. 229.

'the natural laws of capitalist production'.<sup>1</sup> He is referring to objectively ascertainable tendencies, which Marx and Engels describe elsewhere as the concentration of capital and land in a few hands; the ruin of the petty bourgeoisie and peasants; the misery of the proletariat; the crying inequalities in the distribution of wealth; and the industrial war of extermination among the nations.<sup>2</sup>

However, Marx and Engels were not the first to establish the existence of such tendencies. As early as 1843, Victor Considérant, the Fourierist leader in France, clearly formulated all these tendencies in his pamphlet, *Principes du socialisme, Manifeste de la démocratie au XIXe siècle*.<sup>3</sup> Particularly important are paragraphs VII, VIII and XI.

Para. VII (The tendency to the destruction of the small and medium industries). The result of free competition

'is the direct reduction of the proletarian masses to collective serfdom...the progressive crushing...of small and medium industry...under the weight of big property, under the colossal wheels of big industry and big trade.' (Ibid. p. 9.)

Para. VIII (Concerning the tendency to the concentration of capital and the impoverishment of the working masses):

'Society tends more and more distinctly to be divided into two great classes: a small number possessing everything or almost everything...and the great number possessing nothing, living in absolute collective dependence upon the owners of capital and the instruments of production, compelled to hire for precarious and ever decreasing wages their hands, talents, and energies to the feudal lords of modern society.' (Ibid. p. 11.)

Finally, Considérant emphasizes the fact in Para. XI, that as an inevitable result of free competition there arises the tendency to the formation of big monopolies in every branch of business (ibid. p. 13).

Nor was Considérant the first to discover these tendencies. Several years before him, all the tendencies described above had been formulated, with masterful conciseness and precision, by Constantin Pecqueur. In his *Économie Sociale*<sup>4</sup> this writer predicts that as a result of the introduction of machines,

'the various small industries, agricultural, manufacturing and commercial, will disappear quite generally.... As small industry will disappear, the small

<sup>1</sup> K. Marx, *Capital* (Kerr ed.; Chicago), I, 14, 13.

<sup>2</sup> Marx-Engels Gesamtausgabe (quoted as M.E.G.A.), (Berlin, 1932), I Abt. Bd. 6, pp. 548-9.

<sup>3</sup> First published as a programmatic statement in the issue no. 1 of *Démocratie Pacifique*, the daily organ of 'L'École Sociétaire' (1 August 1843). The quotations refer to the second edition, Paris, October 1847. A few months after the appearance of Considérant's *Manifeste* of 1843, Parke Godwin, an American Fourierist, published a pamphlet, *Democracy Constructive and Pacific* (New York, 1844), which follows closely Considérant and in which the developmental trends of capitalism are defined. I am indebted to Mr Maurice Buchs who is preparing a new study in French, entitled '*Le fourrierisme aux États Unis*', for having drawn my attention to Godwin.

<sup>4</sup> Constantin Pecqueur, *Économie Sociale des Intérêts du Commerce de l'Industrie et de l'Agriculture* (2nd ed.; vol. I, Paris, 1839).

industrialists... will degenerate into wage labourers, a mass of serfs working day by day in the manufactures, into proletarians without a future; and all the big industries will be monopolized exclusively by an industrial feudalism.<sup>1</sup>

A few other authors propounding similar ideas could be quoted. Their primary source in France was Sismondi's book, *Nouveaux principes d'économie politique*, in which the fundamental developmental tendencies of capitalism were clearly stated as early as 1819.<sup>2</sup> As regards the tendency to concentration, Sismondi shows that as capitalism progressively accumulates, it concentrates in large-scale manufactures.<sup>3</sup> He formulates the tendency to the destruction of small and medium enterprises in industry and trade.<sup>4</sup> As for the tendency to the impoverishment of the labouring masses, he observes that, as a result of the technological advances that extend to a growing number of branches of industry, new masses of workers constantly become unemployed; to find employment they are ready to work for starvation wages and as a result become physically and morally degraded, sinking below the level of beasts. Every technological revolution is followed by a new deterioration of the status of labourers.

However, Sismondi too, had a predecessor. This article attempts to show that the true originator of the doctrine of the objective developmental trends of capitalism was William Playfair (1759-1823), a British economist, who until now has remained completely unnoticed.

Such revaluation of a forgotten economist has more than a merely personal significance. If it can be established that the conception of the objective fundamental tendencies of capitalism, the ideas of the growing accumulation of capital in a few hands, of the disappearance of the middle classes, of necessity of capital export, etc. can be found for the first time not in Sismondi, 1819, but in Playfair, as early as 1805, this means that all these tendencies had become sufficiently perceptible in England and objectively ascertainable fourteen years before the publication of Sismondi's book, and for that very reason could be formulated at that early date.<sup>5</sup>

<sup>1</sup> Ibid. II, 101 (see also I, 269).

<sup>2</sup> Quotations are from the second edition of Sismondi's book (Paris, 1827).

<sup>3</sup> 'It is sufficiently worthy of note that... the effect of the increase of capital is usually concentration of labour in very large manufactures' (I, 361).

'Discoveries in mechanical arts always result ultimately in concentrating the industry into the hands of a minority of rich merchants' (II, 327).

<sup>4</sup> 'They (the discoveries) result in savings through large-scale administration... the common use, for a large number of people simultaneously, of light, heating, and all the natural forces. Thus the small merchants, the small manufacturers disappear' (II, 327).

<sup>5</sup> William Playfair, known as an anti-Jacobin pamphleteer and statistician has remained entirely unnoticed in the history of economic ideas, although his book, *Inquiry into permanent Causes of the Decline and Fall of Powerful and Wealthy Nations* (1805) had some success in his time and was published in a second edition in 1807—Playfair is not even mentioned in any early or recent history of economic theories. Furthermore, Playfair's name is not mentioned in the *Encyclopaedia Britannica* (ed. 1941, v, 18), nor in the American *Encyclopaedia of Social Sciences*, nor in James Bonar's monograph *Malthus and His Work* (2nd ed., 1924) although it deals with a period in which both Malthus and Playfair were active. Only two

Furthermore, it is noteworthy that while the previously known French theorists of the objective trends of capitalism were utopian or petty bourgeois socialists, or semi-socialists, who sharply criticized capitalism and proposed to replace it by another more or less socialist form of society, Playfair was a spokesman for the petty bourgeoisie. He too criticizes the failings of capitalism, but his critique is purely sentimental. He does not conceive of any way out of the situation; despite all the failings of capitalism that he points out, he wants to preserve it, and does not propose to replace it by another system.

Playfair is not a theoretician comparable to the classical economists, that is to say, he is not an analyst. He does not precede his exposition by any general principles, such as a theory of value, from which he might draw inferences by way of logical deduction. He applies the reverse procedure—the method of the historical school. He describes the real processes and the observed developmental tendencies, and theorizes rarely. 'In this inquiry it has been a rule, never to oppose theory and reasoning to facts but to take experience as the surest guide' (276).<sup>1</sup> The result is a surface treatment, and a lack of depth and analysis. But he is an excellent observer. Playfair is interested above all in the fate of the British Empire and its future economic development as a basis for its political power. In order to foresee that future fate, Playfair first strives to discover a general law of historical development, a law valid for all nations and all times, from antiquity to the modern era, so that Britain would represent only a special case in the application of the general law, only its modification under the particular circumstances of modern capitalism, which can be understood only as such. For that reason Playfair's exposition of Britain's developmental trends would be difficult to understand without a discussion of his general historical law of the rise and decline of nations.

### I. THE DOMINANT TENDENCIES OF CAPITALISM

While contemporary French evolutionists such as Turgot (1750), Condorcet (1795) and Count Saint-Simon (first publication in 1802) assumed the existence of a law of continuous cultural and economic progress, Playfair rejects such an idea. His law of the Rise and Decline of Nations is based on the idea that mankind marks time without moving forward; that states, just like individuals, go necessarily through periods of infancy, manhood and decrepitude and then die; that all of them begin with 'the original state of poverty' (iv), that they subsequently gradually develop into centres of wealth

English dictionaries contain short biographical and bibliographical notices on Playfair—Robert Palgrave's *Dictionary of Political Economy* (1913), III, 116, and *The Dictionary of National Biography*, ed. Sir Leslie Stephen and Sir Leslie Lee (1921–2), xv, 1300. But even these notices are confined to enumerating the titles of Playfair's writings; his economic theories are not mentioned. The *Economic Journal* (*Economic History Supplement*), 1935, contains an article on 'Playfair and his Charts', by H. G. Funkhouser and H. M. Walker.

<sup>1</sup> The figures in parentheses that follow the quotations from Playfair refer to the page numbers of his main work.

and power and that in the end, after reaching the climax of their wealth, through the operation of the same General Law, they inevitably relapse into barbarism and poverty; their place is then taken by other, culturally and economically backward nations, so 'that the greatness of nations is but of short duration' (iv).

To prove the existence of such an historical law, Playfair briefly outlines the rise and fall of all the civilizations he knows for a period of more than 3000 years, covering Antiquity, the Middle Ages and Modern Times. Under 'the pressure of necessity' (167) the poor countries with 'superior energy' (19) attack the wealthy nations either by peaceful methods or by war, producing always the same effect: the triumph of poverty over wealth (19). 'The effeminacy and luxury of the rich' (177) operating persistently 'from generation to generation' (81) undermines the energy and activity of the wealthy.

This General Law of historical development works in 'modern' (i.e. capitalist) industrial countries only with some modifications, because of the presence of 'some particular causes that operate in modern nations' (164). One of these 'particular causes' is the tremendous development of modern military technique and mechanical warfare. In the past, the triumph of poverty over wealth was possible because the backward nations under the pressure of necessity were energetic, martial and brave. In modern times, however, wars no longer favour poor nations. 'Bodily strength has but little effect, while the engines of war can only be procured by those resources which wealth affords.' To constitute and equip an army with modern engines 'a very considerable degree of wealth is necessary' (18). Courage and bravery, the fighting qualities of the poor nations, no longer prevail against modern weapons. While in the past, wealth and luxury led to the decline of the wealthy nations, in modern times the situation is reversed: victory is decided not by martial virtues but by wealth; therefore, the main task of the government is now to preserve wealth and prosperity.

Having formulated the general law in Book I, Playfair confines his analyses in Books II and III to the 'modern', i.e. capitalist nations, inquiring into the specific causes that determine the rise and fall of such nations. He eliminates 'a variety' of local or accidental causes (e.g. wars) and attempts to deal only with fundamental causes 'operating in all of them' (90), namely, 'the interior causes of the decline of wealthy nations, arising from the wealth itself' (90), i.e. from the degree of accumulation of capital achieved in a given period. Playfair distinguishes three phases of such accumulation: in the first, less capital is available than can be invested; in the second, there is sufficient capital; in the third—on which he concentrates almost exclusively—there is more available capital than can be profitably invested. Therefore, capital reaches insuperable limits—'its bounds' (200)—to further accumulation. All nations begin their development as agrarian countries, then become manufacturing countries and finally change into creditor nations which must export the available surplus-capital (161, 200, 270).

According to Playfair, Britain has entered, or is about to enter, this third phase, and he analyses it in the light both of arguments drawn from observation of contemporary conditions in Britain and of arguments drawn from the experience of previous centuries, particularly from the history of Holland, Genoa and Venice. In the course of this analysis he attempts—and he is the first economist to do so—to formulate the developmental trends of capitalist accumulation.

During the whole period embracing the first two phases of capital accumulation, which is identical with the period of progressive industrialization, Playfair observes three fundamental tendencies of development:

- (1) The tendency of capital to concentrate in a few hands.
- (2) The tendency of the productive classes to become poorer.
- (3) The tendency of the middle classes to disappear. When the third phase, that of superabundance of capital, is reached, a fourth fundamental tendency begins to operate—the tendency of every industrial nation to become a creditor or investor nation.

But this means the end of progressive industrialization and expansion, that is, a tendency to a stationary state and the beginning of disintegration and decline. Thus the general law of rise and decline remains valid also for 'modern' (capitalist) states, although its outward form is modified.

*The natural tendency of wealth to accumulate in the hands of a few.*

The tendency of wealth to accumulate in the hands of a few was often asserted as a fact. Thus d'Holbach wrote in 1773: 'Wealth gradually accumulates in a small number of hands; to favour a few shrewd citizens, all others are reduced to indigence.'<sup>1</sup> Playfair—and this is his contribution—does not confine himself to a vague general statement that seems to apply to all epochs, and he does not explain the concentration of capital by the personal shrewdness of a few, but regards it as the natural and inevitable result of the accumulation process in modern industrial states. In contrast to the belief of eighteenth-century economists that fundamental economic structures are the result of legislation, he shows that parallel to this accumulation, the differentiation and inequality of possessions increase as a natural result of the economic process, quite independently of existing legislation or the political form of the state (that is, both in despotic or free states). Moreover, he shows the effects of concentration of capital on all social classes—the enrichment of a few big entrepreneurs, the ruin of numerous small entrepreneurs who lose their economic independence, the decline of wealth based on rentier income, the automatic enrichment of the landowning class, the specific role of credit in the centralization of big fortunes, and, as a consequence of the concentration process as a whole, the widening of the gap between the impoverished and degraded classes and the wealthy upper classes.

'In the career of wealth, in its early state, when individual industry is almost without any aid from capital, men are as nearly on an equality as the nature of

<sup>1</sup> D'Holbach, *Système Social* (1773), pt. III, ch. VII.

things can admit. But in proportion as capital comes into the aid of industry, that equality dies away, and men, who have nothing but industry, lose their means of exerting it with advantage; some become then incapable of maintaining their rank in society altogether' (156).

'In every country, the wealth... has a natural tendency to accumulate in the hands of certain individuals, whether the laws of the society do or do not favour this accumulation' (125), as a result of which the 'unequal division of property' is accentuated.<sup>1</sup>

This tendency of productive industrially employed capital to concentrate is intensified by the specific function of credit. Profits are primarily created by productive activity. But this mode of enrichment is relatively slow. Big fortunes can be accumulated with the help of long-term credits:

'In countries where the common practice is to sell, chiefly, for ready money, great fortunes are seldom gained... But in a country that gives long credits, or in a branch of trade on which long credits are given, we always see some individuals gaining immense fortunes' (182).<sup>2</sup>

On the basis of the observation that as capital accumulates the rate of interest sinks (Turgot, Adam Smith),<sup>3</sup> Playfair concludes that in the course of the accumulation process the relative position of an owner of a definite amount of money capital deteriorates. If the rate of interest drops from 4 to 2 %, a capital of £1000 brings in the same income as previously a capital of £500. Capital accumulation is thus accompanied by depreciation of money capital and as a result of this tendency to depreciation, large money fortunes are not permanent; they shrink after two or three generations. To counteract this tendency, and maintain the former relative position of money capital, much energy, work, shrewdness, and willingness to take risks are required.<sup>4</sup>

In contrast to this constantly threatened position of the moneylender, the relative position of the landowning class grows progressively stronger. As capital accumulation in industry increases and the rate of interest falls, the value of land automatically rises, without the intervention or work of

<sup>1</sup> Book II, ch. v: 'Of the Internal Causes of Decline, arising from the unequal Division of Property, and its Accumulation in the Hands of Particular Persons' (125).

<sup>2</sup> Cf. Marx: 'The credit system... is the specific social mechanism for the centralization of capital' (*Capital*, Kerr ed., I, 687).

<sup>3</sup> Adam Smith, *Wealth of Nations*, Book II, ch. iv.

<sup>4</sup> 'A fortune lent at interest, diminishes as the value of money sinks' (129).

'The depreciation of money that takes place in every country that grows rich, falls nearly all on the lender at interest' (163).

'A fortune engaged in trade is liable to risks and requires industry to preserve it; but industry never is to be found for any great length of time in any single line of men' (129).

'We find that wealth seldom goes amongst people of business past the second, and almost never past the third generation' (89).

the landowner. Therefore, this form of property and its concentration in a few hands is the most dangerous.<sup>1</sup>

*The tendency of the number of poor to increase in countries advancing in wealth.*

In the seventeenth century, England was faced with a chronic problem of pauperism—pauperism in an agricultural country. The new pauperism was very different; it was a consequence of industrialization. What distinguishes Playfair from his predecessors in calling attention to this fact is that, in contrast to the countless remedies proposed by older economists for curing idleness by corrective or punitive legislation, he regards the increase in the number of the poor as a natural consequence of concentration of capital and wealth: 'The alarming and lamentable increases of the poor in proportion as a nation becomes rich' (87–8).

Playfair calculates that the number of the poor has grown faster than total population (88).<sup>2</sup> These victims of poverty, he says sarcastically, 'are filling prisons, poor houses and hospitals' (87), 'illustrating the effect of wealth', and he devotes a whole chapter to the problem 'of the increase of the poor as general affluence becomes greater' (Book II, ch. VII).

Playfair distinguishes between two types of poverty. The first, which exists 'in every nation' comprises people who are poor for general, demographic, natural reasons, such as 'the lame, the sick, the infirm, the aged, or children unprovided for'. The number of those

'in proportion to the total number of inhabitants, will be pretty nearly the same at all times; for it is nature that produces this species of helpless poverty' (88).

'There is another species of poverty, not of nature's creation. . . . That new species of poverty is occasioned by the general wealth, since it increases in proportion to it' (88).

'As this tendency is uniformly felt. . . over the whole country when it advances in wealth. . . it must operate, in length of time, in producing the decline of the whole nation' (89).

For even though the enrichment of some and the impoverishment of others takes place in such a way that 'they change places gradually and without noise' the final result is nevertheless that 'such changes are attended with . . . violent commotion' (89).

'The lower classes become degraded and discouraged, as is universally found to be the case in nations that have passed their meridian' (132).

<sup>1</sup> The thousand pounds laid at interest, after 30 years is always worth 1,000 pounds. But land bought for 1,000 pounds would be worth 2,000 pounds (163 n.).

'An estate in land augments in value, without augmenting in extent, when a country becomes richer: . . . of all the ways in which property accumulates in particular hands, the most dangerous is landed property' (129).

<sup>2</sup> Playfair's contemporary, James Mill, states 'that the paupers are equal to nearly one-third of the whole male population, including old men, young men or children' (*Commerce Defended* (1808), p. 101).

While some men remain idle because of their wealth,

'others, who are depressed below the natural situation of men, are bringing them [sc. their children] up to feel the extreme pressure of want. . . . Neither the powers of their body, nor of their mind, arrive at maturity' (156).

'While the foundation of idleness is laid in, for one part of a nation, from the affluence of their parents, another portion seems as if it were chained down to misery from the indigence in which they were born and brought up' (156).

This social sickness is not the result of accidental external causes, but of 'the interior cause'—the accumulation of capital. That is why this sickness is inherent in the nature of the economic organism, and it becomes accentuated with the growth of this organism—a process that Playfair illustrates by quoting from Pope:

The great disease that must destroy at length,  
Grows with our growth, and strengthens with our strength (90).

'In all new and rising states the higher orders. . . as they increase in wealth and have lost sight of its origin, which is industry, they change their mode of thinking; and by degrees, the lower classes are considered as only made for the convenience of the rich. The degradation into which the lower orders themselves fall by vice and indolence widens the difference and increases the contempt in which they are held. This is one of the invariable marks of the decline of nations' (263).

But the rich consider only their own advantage; the richer they become, the more selfish they are; they hold the poor responsible for their poverty and treat them worse than beasts:

'It has been noticed that in every society, as wealth increases, hospitality [which existed in a less advanced state of society], dies away. . . the social feelings become less active and men turn selfish and interested, thinking for themselves and careless for the community; while, on the one hand, the causes for poverty increase, on the other, the means of relief are neglected' (159).

*The tendency of the 'middling classes' to disappear.*

Concentration of wealth on the one hand, and the growing number of impoverished masses on the other, take place at the expense of the middle classes, i.e. 'those immediately above the inferior classes'. These middle classes gradually disappear.

'The consequence of great fortunes and the unequal division of property, are that the lower ranks. . . become degraded, disorderly and uncomfortable, while the middling classes disappear by degrees' (126).

Such an exasperation of economic antagonisms as a result of the unequal division of property is dangerous and leads the nation to inevitable ruin (126, 128).

Playfair is not a radical. He praises the middle class and believes in their great task of assuring economic and political progress, the material and spiritual elements of which are concentrated in that class. The rich have always managed to shift the burdens to the others; as for the large masses

of the productive workers, they have neither the leisure nor the resources to steer the ship of state. Nor has Playfair a high opinion of the landowners, rentiers and all those who receive a fixed unearned income. He contrasts 'the most useful class', i.e. 'those whose income is regulated by their efforts... that is to say, the productive laborers of the country' (167), with 'those whose incomes are fixed, that is principally the unproductive laborers... the drones of society' (168).

'Where there is no regular gradation of rank and division of property, emulation, which is the spur to action... is... destroyed' (132).

'The higher classes can never be made to contribute their share towards the prosperity of a state... the higher class can never be very numerous; and being above the feeling of want... there is nothing to be expected [from them] towards the general good' (131).

'from the working and laborious classes, again, little is to be expected... they have neither leisure nor other means of contributing to general prosperity as public men; they, indeed, pay more than their share of taxes in almost every country; but they cannot directly, even by election, participate in the government of the country' (131).

'It is in the middling classes that the freedom, the intelligence and the industry of a country reside... where are no middling classes to connect the higher and lower orders... a state must gradually decline' (131).

The rapid disappearance of the middle class is particularly dangerous, because this increases the distance between the mass of the poor and the class of the wealthy, and the contrasts between want and riches are brought into sharp focus:

'the strongest bond of society is thereby broken; the bond that consists in the attachment of the inferior classes to those immediately above them. Where the distance is great there is but little connexion... The whole society becomes, as it were, disjointed' (132-3).

Despite Playfair's sympathy for the middle classes, he has no illusions about the actual development of capitalism. He knows that the wheel of history cannot be stopped. The middle classes are disappearing and social inequality operates permanently, even in the opening stages of capital accumulation, when the nation is still poor in capital; but it operates with particular intensity at the higher stages of accumulation and capital saturation: '[the] tendency to [inequality] increases very rapidly of late years' (129).

'But if this progress goes on, while a nation is acquiring wealth, how much faster does it not proceed when it approaches its decline? It is then that the extremes of poverty and riches are to be seen in the most striking degree' (131).

*The tendency of agricultural nations to change into industrial nations and later into creditor (investor) nations. Superabundance of capital and lack of investment opportunities in old industrial countries as factors of disintegration and decay.*

We have shown that, according to Playfair, capitalism, from its very beginning, has been accompanied by the three developmental trends described above. We shall pass now to the most important section of

Playfair's theory of accumulation—his view that at a specific stage capital accumulation reaches a maximum limit. This results in a profound structural change of the whole economy. It is at this late stage of accumulation that a fourth trend appears—the tendency of industrial nations to change into creditor (investor) nations, which ultimately leads to the disintegration of the whole economic system. For, if capital accumulation reaches the third phase (characterized by superabundance of capital), the profits earned in the existing enterprises cannot be profitably absorbed at home; they become 'surplus' capital, and must therefore be exported:

'When capital becomes overabundant...' (161) 'if there is not sufficient means of employing capital within a nation or country... there are plenty of opportunities furnished by poorer nations' (135).

In other words, the 'surplus' capital which cannot be invested at home must be exported to other, economically undeveloped countries. If the 'surplus' capital is nevertheless invested in the home country and the manufactures are expanded, an unsaleable surplus of commodities is inevitably produced, which again can be marketed only in undeveloped countries. Such countries

'afford us much reason for hope and do away one of the reasons for fearing a decline that has been slated... namely by not having a market for our increasing manufactures' (269).

'The United States promise to support the Industry of England now... far more than both the Indies... market for British manufactures will be insured for ages to come (268).

Here we have in germ a formulation of a specific under-consumption theory deriving from 'surplus' capital, a theory that was later developed by Sismondi (1819) and Hegel (1820) and that was popularized in the twentieth century by J. A. Hobson (1911) and Rosa Luxemburg (1913).<sup>1</sup>

Ricardo, in 1817, criticized such a 'surplus' theory. According to him, there can be no 'surplus' capital in a country, because any amount of capital can always find profitable investment. Unlike Ricardo, Adam Smith explicitly defended the theory of overabundance of capital inherited from his predecessors, John Locke and David Hume.<sup>2</sup>

This theory of Adam Smith of a possible saturation of capital, i.e. of a 'mature economy', which has acquired 'its full complement of riches', was quite current in Playfair's lifetime. Locke (1692) and Hume (1752) had advanced it before Smith in England; in France, it was held by Turgot (1766) and Condorcet (1794). But Playfair goes beyond his predecessors in one very important respect. Smith, for instance, confines himself to stating that in Holland many moneylenders or rentiers lived on the interest of capital lent to foreign nations. Playfair, however, not only refers to

<sup>1</sup> Simonde de Sismondi, *Nouveaux principes d'économie polit.* (2nd ed.; Paris, 1827), I, 345, 361 and II, 326; G. W. F. Hegel, *Philosophie des Rechts* (1820), para. 245, 246 and addit. to para. 244, 248.

<sup>2</sup> Adam Smith cites the example of the Dutch, who lent large amounts of capital to the English, French and other nations. (*Wealth of Nations*, Bk. II, ch. IV.)

investors or rentiers, but also is the first to define all the characteristic features of a parasitic creditor (-investor) nation living not on productive work but 'without labour' (82), on the interests of capital lent abroad. At the same time Playfair conceives of the investor state as the necessary and ultimate phase of industrial development of any country, a phase which inaugurates decline and decay.

According to Playfair, there is a fundamental difference between an individual creditor and a creditor nation. Individuals can withdraw from productive activity at any time. They can sell their real estate and lend their capital abroad against interest. On the contrary, a nation cannot completely cease productive activities and must always put to use its real estate, factories, mines, cultivated land, etc.; only movable goods and money capital can be exported abroad. Therefore only part of a nation can function as a creditor:

'The whole nation could not become idle. Such a case never can exist, as that of all individuals in a country becoming sufficiently rich to live without labour' (82).

'A nation can never retire, it must always be industrious' (89).

However, although not all individuals in a creditor nation can live comfortably, 'without labour', the number of such idle individuals who live on interest coming from abroad is steadily increasing.

Once the state of overabundance of capital is attained, there begins a slow disintegrating process, a retrogression of the industrial state, which in the end must lead to its decline. Two types of change take place: a structural change in the economic basis, and parallel to it, a far-reaching change in the spiritual superstructure.<sup>1</sup>

Playfair is a realist; his analysis of the economic disintegration and ultimate decay of a creditor state are not wishful speculations or conclusions reached by deduction from abstract presuppositions; they have a realistic character, for he takes as a basis of his analyses the historical example of the decline of Holland, a creditor state, and he thinks that if in the future other, for the time being backward, nations ever reach the stage of capital superabundance, they will produce analogous symptoms of material and moral disintegration.

According to Playfair, the economic disintegration and decline of Holland was not accidental. Accidents play a great part in the lives of individuals or small human groups, but not in the life of a whole nation. Playfair obviously has in view the statistical law of big numbers, which he was the first to apply to history. The accidental forces inclining in different directions cancel one another, and only the fundamental forces common to the total mass of the nation assert themselves and can be considered the

<sup>1</sup> In another context Playfair illustrates the parallelism of economic and spiritual development by the following remark which is reminiscent of Max Weber: 'The Reformation in religion, and the establishment of Manufactures in England date from the same period. . . there are many reasons, from experience, for believing that the Protestant religion is particularly favourable to industry' (265).

dominant trends. A whole nation can perish only if 'interior causes' have prepared it for decay (185):

'An inquiry into the causes of the revolutions of nations is more perfect... than when directed to those of individuals... Nations are exempt from those accidental vicissitudes which derange the wisest of human plans upon a smaller scale. Number and magnitude reduce chances to certainty. The single and unforeseen cause that overwhelms a man in the midst of prosperity, never ruins a nation; unless it be ripe for ruin a nation never falls... Accident has only the appearance of doing what, in reality, was already nearly accomplished' (XI-XII).

Playfair analyses the rise and decline of Holland from that standpoint:

'As for the Dutch, they continue to increase in wealth till the end of the seventeenth century... In addition to their great industry: the fisheries and art of curing fish, the Dutch excelled in making machines of various sorts, and became the nation that supplied others with materials in a state ready prepared for manufacturing; this was a new branch of business and very lucrative, for, as the machines were kept a secret, the abbreviation of labour was great' (66).

But when Dutch industry became saturated with capital, there were no further profitable investments at home. The additional capital could function only as commercial agent between foreign nations; the Dutch became a nation of intermediaries:

'But, when they [the Dutch] became affluent... the manufacturers became merchants, and the merchants became agents and carriers... Dutch capital was employed to purchasing goods in one country and sell them in another; the Dutch became carriers of others, instead of manufacturing... for themselves' (66). [Thus] 'the solid sources of riches [i.e. production] disappeared... The merchants preferred safe agencies for foreigners to trading on their own... superiority in manufactures over other countries was continually diminishing; consequently, industry was not so well rewarded, and less active' (67).<sup>1</sup>

According to Playfair, the structural transformation of the country did not stop there. The manufacturer who regressed to the status of a merchant later became a rentier; the industries were neglected, and the nation changed from an industrial into a creditor nation.

'Manufacturers aspire to become merchants, and merchants to become lenders of money or agents.'

'The Dutch were the greatest example of this... They have long ceased to give that great encouragement to manufactures which had, at first, raised them to wealth and power. They had, in the latter times, become agents for others rather than merchants on their own account; so that the capital, which, at one time, brought in, probably, 20 or 25 percent annually, and which had, even at a late period, produced ten or fifteen, was employed in a way that scarcely produced three' (134).

This economic transformation was accompanied by a parallel *change of mentality*, which reacted on the economic basis and further accentuated its

<sup>1</sup> This picture of the decline of the Dutch industry is essentially confirmed by a modern historian. (C. H. Wilson, 'The Economic Decline of the Netherlands', *Economic History Review* (May 1939), vol. ix, no. 2.)

weakness. In an investor nation 'it is not merely a neglect of industry . . . that is hurtful; the general way of thinking and acting becomes different' (90).

The mentality of an idle class of rentiers who despise productive work leaves its impress on the whole life of an investor nation. This 'degradation of moral character' of an investor nation is again illustrated by Holland. In an industrial country, her manufacturers are a class of robust, active entrepreneurs; in an investor country, wealthy, well-established firms avoid risks, withdraw from productive activity and live on interest (162).

'Whatever, therefore, tends to accumulate the capital of a nation in a few hands, not only increases luxury, and corrupts morals, but diminishes the activity of the capital and industry of the country . . . In all the great places that are now in a state of decay, we find families living on the interest of money, that formerly were engaged in manufactures or commerce. Antwerp, Genoa and Venice, were full of such; but those persons would not have ventured a single shilling in a new enterprise' (134).

In this way, both for objective and subjective, psychological reasons, capital expansion is brought to a standstill, productivity deteriorates, and industry disintegrates. Holland's position deteriorated as a result of an internal development, not of unfavourable external circumstances:

'There was no violent revolution, no invasion by an enemy; it was the silent operation of that cause of decline which had been already mentioned' (67).

The foregoing outline of the economic evolution of Holland, from an industrial to a parasitic creditor nation is, according to Playfair, not a casual excursion into the history of a specific country. It is on the contrary conceived of as an illustration of a general law of the rise and decline of all modern industrial nations. The economic transformation and the attending processes of material and moral degradation are seen as an inevitable historical stage in the development of every industrial state, which begins the moment its capital accumulation has entered the phase of superabundance and capital export.

Thus Playfair was the first—and for a whole century he remained the only one—to describe this characteristic tendency in the evolution of modern industrial states, the tendency to capital export and to transformation into creditor states. Economic theory neglected this problem during the entire nineteenth century. Only at the beginning of the twentieth century was the problem raised again by J. A. Hobson, whose work gave rise to a whole literature; but it is interesting to note that Hobson's economic interpretation of investment, his theory of surplus-capital formulated in 1911 does not go an inch beyond Playfair's views expressed as early as 1805.

## II. COUNTERACTING TENDENCIES

What consequences does Playfair draw from his theory of the fundamental developmental trends of capitalism?

The prospect of decay presented Playfair, who assumed it to be a proven truth as regards the whole historical past of more than 3000 years, with

considerable theoretical difficulties, in so far as he dealt with the future evolution of Britain, then the leading industrial country in the world. The French evolutionists, Condorcet, Sismondi and particularly Saint-Simon, or utopian Socialists like Pecqueur and Considérant, were able to point out the contradictions and inadequacies of capitalism because they not only criticized such inadequacies, but also rejected the existing social organization and wanted it replaced by a higher form. But Playfair, who criticizes the contradictions of capitalism with equal keenness, is a partisan of capitalism, and wants to preserve it despite its evils. The idea of a transition to another, socialist organization, is outside his horizon because in his eyes the existing capitalist form is the highest, and he violently criticizes the French Revolution for its 'levelling' tendencies. But if the capitalist basis is retained, then, according to Playfair's own general historical law valid for all epochs, society is threatened with decay, because these tendencies originate in wealth, i.e. in the very essence of capital accumulation. The danger is all the more to be feared because history shows that wealth and power 'when once destroyed . . . never have been renewed' (79).

Thus the theoretical problem has a practical implication, and Playfair raises the question whether England cannot avert such a tragic end:

'It is worth while to inquire into the causes of such a terrible reverse, if that degradation which naturally follows, and which has always hitherto followed, may be averted' (iv).

He solves this problem by distinguishing between 'necessity' and 'tendency', and by a new methodological construction in which the dominant tendency is weakened by one or more counteracting tendencies. These do not eliminate the main tendency but check its effectiveness and postpone its ultimate triumph.

If decay were a historical necessity impossible to avert

'the Inquiry would be of no utility. It is of no importance to seek for means of preventing what must of necessity come to pass; but if the word necessity is changed for tendency or propensity, then it becomes an Inquiry deserving attention' (IX).

'It merits investigation, whether it is or is not possible to counteract the tendency to decline . . . after having attained the summit of wealth, we may remain there instead of immediately descending' (169).

We know that later Ricardo (1817), John S. Mill (1848) and Karl Marx (1867), resorted to the same methodological instrument of a dominant tendency and counteracting tendencies.

Economic theory recorded this as a fact but has never raised the problem of the origin of this idea, and has never inquired into the circumstances that led to making such a distinction between the tendencies. The foregoing passage from Playfair's book shows that he is the originator of the idea and casts light on the circumstances that led him to this important methodological construction. Playfair, the petty-bourgeois theorist, elaborates the counteracting tendencies because he regards them as the theoretical justification of an effort to preserve the existing capitalist society from disintegration and decay, or at least to postpone them for several generations.

This does not mean that Playfair places his subjective wish for the preservation of capitalism above the objective developmental trends; he still thinks that history is governed by necessity. Just as he tries to show the objective inevitability of decline on the basis of the internal structure of the economic organism, 'the interior causes', so remaining true to his methodological principles, he inquires whether objective counter-tendencies are not active within the economic organism. Only if such objective counter-tendencies can be discovered, is there room for the intervention of the subjective factor—the deliberate effort to strengthen them.

According to Playfair, the task of strengthening and directing these objective counter-tendencies is incumbent not upon individuals, but upon the government:

'Government can never be better employed than in counter-acting this tendency to decay' (172).

This does not eliminate the inevitability of decline, but—and this is all that Playfair expects from his Inquiry—it might be possible

'to find the means by which prosperity may be lengthened out,<sup>1</sup> and the period of humiliation procrastinated to a distant day' (IV).

With the help of such a distinction between 'necessity' and 'tendency' and between 'tendency' and 'counteracting tendency', Playfair's general law of rise from barbarism to civilization and subsequent decline can be upheld theoretically with regard not only to the past but also to Britain's future, and at the same time the decline of England, even though the existing capitalist basis is maintained, can be averted or at least postponed for long generations.

What are these counteracting tendencies? Playfair enumerates several,<sup>2</sup> of which we shall discuss the most important—export of capital.

Superabundance of capital in an industrial nation entails consequences that Playfair describes in a special chapter entitled 'Of the tendency of capital and industry to leave a wealthy country' (Book II, ch. VIII).

'If there is not sufficient means of employing capital within a nation or country... there are plenty of opportunities furnished by poorer nations.'

This withdrawal of capital

'that operates in some modern nations, is counteracting this effect, so far as it is occasioned by a superabundance of capital' (164).

'As it raises the poor nation nearer the level of the rich one, its effect gradually becomes less powerful' (183).

<sup>1</sup> Playfair emphasizes this idea in the subtitle of his book: 'An Inquiry... designed to show how the prosperity of the British Empire may be prolonged.'

<sup>2</sup> The counteracting tendencies listed here—export of commodities and of capital, decentralization of capital, further various forms of unproductive expenditure and waste—are the same as those mentioned forty years later by J. S. Mill (*Principles of Political Economy*, Book IV, ch. IV, para. 5). This fact suggests that Mill carefully read Playfair.

Nations with superabundant capital indulge in comforts, keep numerous servants, and work less than the poorer nations, just as the sons of a well-to-do father work less than the father worked in his youth.

But the export of capital, though it counteracts the effects occasioned by superabundance of capital, does not eliminate the dominant tendency to decline. These counteracting tendencies relieve the situation of capital-saturated countries only temporarily. In the long run

‘the intercourse between nations is in favour of the poorer one’ (179).

‘The capital of a rich nation is employed in fostering a rivalry in a poorer nation’ (180).

Young nations which appear as rivals of older and wealthier nations enjoy a number of advantages that enable them to rise faster and even to overtake their models. Elaborating on an idea that Condorcet formulated ten years earlier, Playfair observes that the leading nations can develop technology and invent new methods of work only by the hard way of trial and error. The rival young nations need to imitate only the successful inventions, thus saving a great deal of time and expenditure.

‘The nation that is highest, treads in discovery, invention, etc. a new path. . . . Those who follow have, in general, but to copy, and in doing that, it is generally pretty easy to improve’ (208).

‘So far as method of working and machinery are concerned, the imitating nation has the advantage; it copies the best sort of machine and the best manners of working at once’ (212).

• This, according to Playfair, explains the fact that whereas the old industrial nations which improved their technique step by step are burdened with many obsolete machines,

‘the nations that have improved in manufactures the latest, have always carried them to the greatest perfection’ (211).

In this manner the relief experienced by capital-saturated nations through export of capital to backward nations is of short duration. Their economic and technical advantage is only temporary, it disappears by degrees, and England ‘cannot be expected long to maintain its superiority over others’ (204).

It is of little avail to possess a legal or factual monopoly in order to secure superiority:

‘Holland, Flanders and France were all originally superior in the arts of manufacturing most goods, to England’ (203).

Nevertheless, these countries lost their superiority to England, because while the rising nation’s industrialization is stimulated by high profits, the low profits earned by the advanced nation ‘which is about being rivalled’ produces ‘a sort of discouragement and dismay’ (212). Such nations with superabundant capital cease accumulating, they tend to a stationary state in which no capital investments take place:

‘At all events, a day must arrive when the nation that is highest, ceasing to proceed, the others must overtake it’ (208).

'From this it is very evident, that the nation the farthest advanced in inventions has only to remain stationary a few years, and it will soon be overtaken, and perhaps surpassed' (203).

Thus the export of capital which brought temporary relief and advantage to the industrial country exporting capital in time undermines its long-range interests, because the exported capital helps in the industrialization of the rival country:

'In this manner it is, that the capital of a rich country supplies the want of it in poorer ones, and that, by degrees, a nation saps the foundation of its own wealth and greatness, and gives encouragement to them in others' (181).

Playfair illustrates this development by the example of Holland:

'the Dutch, for the last century, employed their capital in this manner, and, at one time, were the chief carriers...giving credit largely. They ruined many of their own manufactures in this manner...There are many manufactures in England that originally rose by means of Dutch capital' (181).

Thus Playfair shows that there is an insoluble antagonism of interest between the industrial and merchant capital of a country. At first the Dutch merchants 'ruined many of their own manufactures' by giving large credits to foreigners, and earned large profits as merchants and carriers of raw materials and finished commodities; but later 'they sank both as a commercial and manufacturing people' (181).

However, Playfair does not reproach the Dutch merchants with lack of patriotism; he considers their conduct inevitable in a nation that has reached the creditor stage. Every merchant is under pressure of competition and must take the constantly changing circumstances into account. He cannot stop to consider whether he serves or harms his nation; he is guided and driven by the profit incentive, the principle on which the system of private enterprise rests. Should he allow himself to be guided by other motives, he would soon be ruined. The transfer of capital and industry abroad is not the result of the merchant's personal decision, but of an objective tendency of industry in a nation that has reached the creditor stage.

The counteracting tendencies, therefore, bring only temporary relief; in the long run, the backward agricultural and colonial countries are industrialized with the help of exported capital and attain the level of the wealthy countries; they too enter a stage at which they have accumulated sufficient capital of their own or even have begun to suffer from superabundance of capital. At such a future stage of development, all international credit operations will inevitably stop:

'If the time should ever come that capital should be abundant in all nations... obtaining credit will not be an object...' (181).

For despite the operation of all counteracting trends, the dominant trend, if the changes and rebounds caused by wars are disregarded, asserts itself in the end; all nations will ultimately reach the state of capital saturation, or the stationary state.

The fact that as early as the first half of the nineteenth century, before Karl Marx, a number of authors such as Playfair (1805), Sismondi (1819), Pecqueur (1837), and Victor Considérant (1843) described the objective developmental trends of capitalism, raises the question of Marx's relation to his forerunners. If he is not the originator of the idea, what is Marx's contribution to that doctrine?

Marx approached the problem of the developmental tendencies of capitalism not as a historian but as a theoretician. His purpose was not once again to describe these tendencies that had repeatedly been described in contemporary French literature, but to explain them. Marx's *Capital* does not contain a single chapter or section in which the above-mentioned developmental trends are described—as is the case with Sismondi, Pecqueur or Considérant—as empirical facts. In chapter xxxii, 'The Historical Tendency of Capitalist Accumulation', and in chapter xxv, 'General Law of Capitalist Accumulation', Marx strives to show *why* the trend to concentration (and the associated trends to centralization and to the destruction of the small and medium industries) is the *inevitable* result of capitalist accumulation on the basis of the law of value; his purpose is to show that all these trends are dominated and explainable by the law of accumulation.<sup>1</sup>

At the same time Marx developed an idea that was completely alien to all his forerunners and that is the focal point of Marx's theory of the developmental trends of capitalism—the idea that the trends to concentration and centralization, as well as the disappearance of small industry, follow *one* direction, and that they are only the outward expression of the slow, gradual, long process of socialization of labour—even under capitalism—a process that paves the way for the socialized economy of the future. This process begins with the 'scattered private property arising from individual labour'; it continues with the 'centralization of the means of production and socialization of labour'; and it ends with the transformation 'of already socialized production into socialized property'—a result that looms only at the end of a long historical transformation of social labour. What Playfair, Sismondi, Pecqueur and Considérant could not see were the far-reaching implications of this historic process. It is true that many writers before Marx referred to the regularity of crises and the precarious condition of the working class. However, these insights remained mere observations until Marx showed them to be the inevitable result of another long-term fundamental tendency, which he discovered—the tendency of capital, as technology advances, to increase its so-called 'organic composition', i.e. the amount of invested fixed capital per worker.

*New York City*

<sup>1</sup> It must be stressed that Marx does not use the word 'trend' or 'tendencies' in the usual sense of the term; by 'trend' he means 'tendencies working *with iron necessity* toward *inevitable* results'. (K. Marx, *Capital*, Kerr ed., I, 13.) The other factors and counter-trends can weaken or slow up the dominant trend but not prevent it from asserting itself.

# SHORT ARTICLES AND MEMORANDA

## EARLY BANKING IN CARDIFF

By T. M. HODGES

THE BANK, variously known during its existence as the 'Cardiff Bank', 'Wood, Evans & Co.' and 'Wood, Wood & Co.', owed its origin to the enterprise of John Wood, senior, a Freeman of Cardiff, and its Town Clerk of many years standing. Wood was a man of considerable local importance and many parts, for besides possessing much valuable property in real estate, he held the offices of Treasurer to the Glamorgan County, Treasurer to the Cardiff Turnpike Trust and Captain of the Cardiff Cavalry.

It came within the scope of Wood's duties, both as Attorney and as Treasurer, to receive and pay large sums of money in cash, and also to remit and have remitted to him drafts drawn on London bankers.<sup>1</sup> His advent into the banking world was, therefore, but a short step outside his previous functions. He had accumulated a wide law practice in the surrounding district as a result of which he had gained a reputation for probity and honest dealing amongst local tradespeople and country gentry. He was the custodian of large public funds both on account of local trusts and on that of the County itself. He had had, too, considerable practice in the negotiation of bills of exchange for and on behalf of his law clients. Furthermore, Wood was a man of quite considerable wealth, both in personal and real estate. On the personal side, there is evidence that he had an ambitious, speculative nature, and a love of power, a side of his personality which brought him into frequent conflicts with Turnpike Trustees in various parts of Glamorgan in his capacity as County Treasurer.<sup>2</sup> Altogether, therefore, Wood possessed certain attributes, both material and otherwise, which his legal practice did not completely satisfy, but for which he found ample scope in his banking venture.

The exact date when the bank first commenced business is not recorded, but a statement in the bankruptcy proceedings against John Wood, junior, reads: 'for several years previously to the year 1812 John Wood, the Elder, Attorney-at-law, father of the defendant, carried on the business of a banker at Cardiff in partnership with William Tindall, Charles Evans and James Jelf, under the several titles of the Cardiff Bank, and Wood, Evans & Co.'<sup>3</sup>

The earliest direct reference to the 'Cardiff Bank' in the MSS. of the Wood family is 10 March 1807, on which day an entry in John Wood's Day Book contains a summary of a bill drawn by the Bank on Messrs Elton & Co., Old Bank, Bristol, which reads:

|                                |              |                         |
|--------------------------------|--------------|-------------------------|
| 'No. 663                       | CARDIFF BANK | Cardiff, Mar. 10th 1807 |
| £14. 15s.                      |              |                         |
| 35 days pay J. Wood, Esq.      |              |                         |
| To MESSRS ELTON & Co.,         |              | for WOOD, EVANS & CO.   |
| OLD BANK, BRISTOL <sup>4</sup> |              | J. W.                   |

<sup>1</sup> John Wood's Day Book (1806-7), Cardiff Library.

<sup>2</sup> Glamorganshire Roads MSS.

<sup>3</sup> Wood Papers, MS. 3. 644, loc. cit. John Wood, senior, was entered on the Roll of Attorneys in 1785 (*ibid.*).

<sup>4</sup> John Wood's Day Book (MS. 5. 135).

Thereafter, frequent references to the Bank occur in the Day Book, all of which record similar summaries of bills or cheques drawn on Bristol or London banks, of which the two below are samples:

BRISTOL

14th April 1807

MESSRS ELTON &amp; CO., OLD BANK, BRISTOL

Pay Mr S. Strickland or bearer Seven pounds 8s. 6d.

(Cheque)

£7. 8s. 6d.

a/c CARDIFF BANK,  
WOOD, EVANS & CO.<sup>1</sup>

'No. 2108

CARDIFF BANK, GLAMORGANSHIRE

CARDIFF, 20th April 1807

£40

On demand pay Henry Lee Esq. or order forty pounds, value received.

(Bill)

For WOOD, EVANS & CO.,  
J. WOODMESSRS ROBERTS, CURTIS & CO.  
LONDON<sup>1</sup>

Taking as evidence the serial number of the first bill of which there is existing record, and comparing it with that of the bill recorded a month or so later, it may be conjectured from their rate of issue that the Bank started functioning at some date early in 1807, there being no reference to the Bank in the year 1806.

Wood, the elder, had four children—three sons, John, Nicholl and Frederick, and a daughter, Mary Ann—all of whom became directly or indirectly implicated in the affairs of the Bank by virtue of the fact that certain Trust moneys of their's were borrowed at one time by John Wood, junior, to assist the Bank finances at a time of stringency.<sup>2</sup> This experience of Wood's Bank illustrates in striking fashion the sort of contingency which was an indigenous part of country banking in those days owing to a combination of weaknesses in its structure.

The more serious of these shortcomings were the unlimited nature of the liability, the dangerously small amount of capital, the inadequacy of reserves, and the small possibility of spreading risks which were more often than not tied up in a very specialized part of trade. The danger to be avoided at any cost was that of arousing the extreme sensitiveness of the public to a suspected 'run on the bank'. No wonder that the country bank was considered 'a constant source of weakness in a flimsy, ill-balanced banking structure'.

John Wood, junior, and his brother Nicholl, followed their father's original calling in law, and were practising as attorneys and solicitors in partnership in 1812. In November of that year, however, John Wood, junior, at the age of thirty-two, was taken into partnership in the banking business, and from that date onwards made banking his main occupation.<sup>3</sup> This was all to the good of the Bank. So many of the country banks, while deriving strength from the trade connexions of their owners, were exposed simultaneously to the dangers arising from a lack of specialized direction which could only be remedied by unremitting efforts in banking as a sole occupation.

<sup>1</sup> Ibid.<sup>2</sup> Wood Papers, MSS. 3. 639; 3. 644, loc. cit.<sup>3</sup> MSS. 3. 639; 3. 644, loc. cit.

In April 1813, William Tindall, Charles Evans and (Sir) James Jelf, the three original partners of the elder Wood, retired from the Bank, though the latter two remained customers throughout its existence, being major debtors at the time of bankruptcy.<sup>1</sup> No stronger reason is given for their retirement than the absorbing ambition of the elder Wood to make the Bank a purely family affair. The occasion was, however, used to take into partnership one Thomas Morgan, a minion of the family with some capital, and the name of the Bank was changed to 'Wood, Wood & Co.', though the alternative title remained in constant use throughout its history.

The three partners, John Wood, senior; John Wood, junior; and Thomas Morgan contributed capital and shared profits and losses in the proportions of 2:2:1 respectively, profits being distributed every six months. Unfortunately, the records do not state the amount of capital contributed by each, except to say that at the death of John Wood, senior, on 10 October 1817, he was indebted to the Bank to the amount of £8699. 12s. 2d.<sup>2</sup> Privately, however, the elder Wood at the time of his death was a comparatively rich man, owning property both in Cardiff and in the neighbourhood, besides possessing shares in a number of canal and tramroad companies. On the death of John Wood, senior, the Bank ownership became a purely family concern, for Thomas Morgan received his share of capital and profits and retired in order to take over the administration of the deceased Wood's estate, a special account being opened in the Bank for this purpose.

The prestige of family banks in those days was influenced far more by the disclosed fortune of a deceased member than by the extent of the bank capital owing to the unlimited liability attaching to bank ownership. The knowledge that such fortune remained at the call of the surviving members as a sort of reserve to be made available in times of temporary financial embarrassment served to allay the incipient fears of the bank's customers.

From the date of his father's death onwards, John Wood, junior, continued as sole owner of the Bank, and in the next year gave up his law partnership with his brother Nicholl in order to devote the whole of his time and energies to banking. Notice of the dissolution is recorded thus: 'This partnership was dissolved on March, 1818, when John Wood was (at his own request) struck off the Roll of Attorneys.'<sup>3</sup>

It was the very essence of country banking to maintain intimate contact with the big private banks in London, who acted as agents. Country banks held current accounts with these agents upon whom they drew in order to discharge distant debts for their local customers. They augmented these London balances from time to time by ordering metropolitan debtors to meet their obligations by paying into the banks of the London agents. The latter cashed the country bank-notes which by arrangement could be cashed at the bank of origin or in London. Other functions fulfilled by these agents, acting in co-operation with the country banks, were the negotiation of bills of exchange, drafts, letters of credit, etc. Finally, they constituted a sort of final reserve for surplus funds, and were also extremely useful on occasion in providing accommodation when funds were tight. Contact between London and the provinces at best was perfunctory owing to the poorness of communications, and depended entirely upon the regularity of the mail coach services. For this reason, amongst others, some country banks were prevented from having London accounts. The Cardiff Bank

<sup>1</sup> MSS. 3. 639; 3. 644, loc. cit.

<sup>2</sup> Ibid. MS. 3. 639, loc. cit.

<sup>3</sup> MSS. 3. 644, loc. cit.

was very fortunate in that a daily coach service connected it with the metropolis.<sup>1</sup> This coach started daily from Stag Lane and arrived in Cardiff each morning *en route* to Milford Haven to meet the Irish Mail at Hubberstone, Pembrokeshire, returning thence through the Vale of Glamorgan and connecting such places as Swansea, Neath and Cowbridge *en route*. That the coach was put to the service of the Bank regularly is evidenced by references to money being sent by this means, e.g. 'A/c of Thos. Bassett, Bonvilstone, with Wood, Wood & Co. Dr. entry June 1820. Notes by coach, £100'.<sup>2</sup>

The London agents of the 'Cardiff Bank' were Robarts, Curtis & Co., later known as Sir William Curtis & Co.,<sup>3</sup> and early references in John Wood's Day Book show that John Wood, senior, in his function as attorney and treasurer had had dealings with Robarts, Curtis & Co. before his banking days. In the year 1812, the 'Cardiff Bank' had a favourable balance with Robarts, Curtis & Co. to the amount of £1293. 12s. 3d., and by the date of Thomas Morgan's entry into partnership in 1813, the credit balance had grown to £5435. 14s. 2d.<sup>4</sup> No doubt, an appreciable part of the increase was due to the new partner's capital contribution to the Bank. During the next few years, however, this favourable position was no longer enjoyed, for by the year 1817 there was an adverse balance with the London bankers to the amount of £8089. 16s. 10d. At the time of the death of the elder Wood, on 10 October 1817, the assets of the Bank amounted to £43,295. 15s. 10d., made up of debts from sundry persons. The liabilities of the Bank at that date amounted to £43,329. 14s. 11d.<sup>5</sup> While this position apparently showed only a small adverse balance, the true position was not so healthy in that, of the debts due to the Bank, the Woods themselves, father and son, owed £15,002. 10s. Of this sum, the estate of the deceased Wood was liable for £8699. 12s. 2d., while the remainder was chargeable against the private estate of John Wood, junior.

Subsequent to the death of the elder Wood, the Bank under his son's sole ownership and direction prospered sufficiently to wipe off all the debts with the exception of the sum due to Sir William Curtis & Co., which was chargeable against the estate of the deceased Wood. In order to achieve this favourable position, the younger Wood had secured a loan of £8000 in February 1818, from the trust fund of £20,500 created by Henry Hurst's marriage settlement to his daughter, the elder Wood's wife (deceased), and administered for the benefit of her children, of whom John Wood, junior, was the eldest. On 21 March 1818, the latter applied £5000 of this loan towards liquidating his Bank's indebtedness with its London agents, while the remaining £3000 he advanced to his brother Nicholl, securing a mortgage on the latter's property as collateral.<sup>6</sup>

Like many other contemporary Welsh banks, the 'Cardiff Bank' was a note-issuing bank. Notes were issued of the following denominations: £1, £1. 1s., £5 and £10, payable on demand either at Cardiff or London. The notes carried a picture of a castle executed on the left side of the note, which bore the inscription underneath, 'Mutlow s.c. London'. There is a memorandum showing a list of holders of £1 and £1. 1s. bank-notes to the total value of £41. 6s., which were called in at the time of the Bank's failure. These were all held by local people, most of whom were persons of small means, such as labourers, small

<sup>1</sup> Vide author's M.Sc. Thesis (1946) on 'The History of the Port of Cardiff in Relation to its Hinterland', London University Library.

<sup>2</sup> MS. 3. 639 cit.

<sup>3</sup> MS. 3. 644 cit.

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

<sup>6</sup> MS. 3. 644, loc. cit.

farmers, tradespeople, and small gentry. The amount of note issue is not stated, but in the Bank's account with its London agents for 1819—taking this as a representative year—a debit item 'Notes' appears regularly every week for an average amount of £450, with a total for the year of £22,274. 5s.

It would be highly satisfactory to be able to give exact statistics of notes issued, bills negotiated, loans made, interest charged, and the number and kind of investments. Unfortunately, this is not possible, partly because the method of keeping accounts in those days left much to be desired in the proper classification of items. An omnibus account into which a heterogeneous mixture of debits and credits was entered seemed to be the core of the accounting system, whose chronological merits only serve to accentuate its lack of classified information. Some idea of the scope of the banking business may be gleaned, however, from the total quarterly debits and credits of the 'Cardiff Bank' in the books of Sir William Curtis & Co., the London agents. These show quarterly totals on the debit side for amounts ranging from £25,000 to £42,000. Corresponding credits fell short of these in all quarters between the years 1819 and 1823, except for that ending June 1820, when a net credit balance of £598. 8s. 10d. was shown in favour of the 'Cardiff Bank'. The gradually worsening position of the Bank is shown by the increasing size in the debit balances from 1820 onwards, reaching the amount of £17,384. 3s. 4d. at the time of the Bank's failure.<sup>1</sup>

Cardiff banking connexions with the industrial hinterland were meagre at this time. This may be attributable to the fact that Cardiff had not yet developed greatly as an outlet for inland industrial products, and drew its prosperity from the surrounding agricultural area. More important still, however, was the fact that there existed in Merthyr Tydfil two banks, one known as the 'Merthyr Tydfil Bank', owned by Thomas Peirce, David Williams & Co., and the other known as the 'Cyfarthfa Ironworks Bank', owned by the ironmasters Crawshay, Hall and Bailey, whose London bankers were Messrs Were, Bruce, Simson & Co. Nearby, in Aberdare, where iron-making was also well established, though on a smaller scale, was the 'Abernant Ironworks Bank', owned by James Tappenden and Francis Tappenden.<sup>2</sup> It is not surprising, therefore, that nearly all the customers of the 'Cardiff Bank' resided either in Cardiff itself, or in the agricultural Vale of Glamorgan. These customers were for the most part small traders from Cardiff and district, or farmers and gentry. The Bank's main functions in this community seemed to be those of receiving local deposits, issuing notes, settling distant debts for its customers, and lending money to finance deals in property and real estate, accepting collateral on these loans in the form of deeds.

No exact figure is given of the number of individual accounts at any one time in the books of the Bank, but at the time of its failure there were 210 separate debit and credit balances, of which 109 were debit items of debts due to the Bank, amounting in all to nearly £15,000. The listed credit items forming the remaining one hundred odd accounts amounted to over £46,000, of which the debt due to the London agents formed by far the largest single entry, being over half the total.<sup>3</sup> The above total does not include the individual accounts kept by the London agents on behalf of the 'Cardiff Bank', the number of which would bring the total up to well over 300.

Many of the chief local gentry and industrialists availed themselves of the Bank's services from time to time for the settlement of debts due in London or

<sup>1</sup> MS. 3. 639.

<sup>2</sup> Vide bank-notes of these banks in the Nat. Mus., Cardiff.

<sup>3</sup> MS. 3. 644.

Bristol. One entry in the name of the Marquis of Bute, dated 22 June 1823, was for £5201, representing a transfer of funds for the purpose of a debt settlement in London. Entries crediting prominent local industrialists such as Crawshay, Guest & Co., the Dowlais Co., and Harford, of the Melingriffith Tinworks, Whitchurch, appeared frequently.<sup>1</sup> Those in the name of Crawshay were for sums varying from £400 to £600 in single items, being no doubt sums paid in London for ironwork shipped from Cardiff. The credits appearing in the name of a prominent local coalowner, Robert Thomas, probably originated in payments for shipments of coal to London, which were just then commencing.<sup>2</sup> Curiously enough, very few entries carried the names of other banks, though entries for relatively small sums appeared in the names of Coutts & Co., Glyn & Co., Barclays & Co., and Sir John Lubbock & Co.

John Wood, junior, seemed to confine his own investments to three types, namely, real estate, canals and railroads, and exchequer bills, of which the first absorbed by far the greatest amount of his capital outlay. At the time of his bankruptcy, his investments in canal and similar undertakings were relatively small. They included:

|                                            | £    | s. | d.             |
|--------------------------------------------|------|----|----------------|
| Five shares in the Monmouthshire Canal     | 1203 | 16 | 2              |
| Four debentures in the Monmouthshire Canal | 394  | 11 | 8              |
| Two shares in the Meath Navigation         | 244  | 19 | 6              |
| Five shares in the Aberdeen Canal }        | 200  | 0  | 0              |
| One share in the Hay Railway }             |      |    |                |
| One debenture in Remmer's Bridge Trust     | 100  | 0  | 0 <sup>3</sup> |

Curiously enough he held no shares in the Glamorganshire Canal which ran through his own town, and which contributed so materially to its early prosperity and growth. This may be attributed to the fact that the local industrialists, like Crawshay, who had initiated the enterprise at the end of the eighteenth century, had concentrated the ownership of this very lucrative venture into their own hands.<sup>4</sup>

The 'Cardiff Bank' suffered like many other country banks from excessive concentration of resources on too narrow a range of investments. Had these banking pioneers had the opportunity or the perspicacity to spread their assets while maintaining a due regard for liquidity, they would have been better able to minimize their risks and so weather the economic storms of the era following the Napoleonic wars. So often, however, they had tied the fortunes of their banks to those of a few trades or firms whose misfortune spelt disaster to the banks. In the case of the 'Cardiff Bank', its owner had concentrated on real estate investment which, however lucrative, was not the best form in which to maintain bank assets, especially when the slightest rumour of stringency was likely to cause a local 'run' on the bank. It was such a lack of liquidity which compelled Wood to draw more and more on his London agents for accommodation, who naturally soon acquired a large proportion of his collateral.

Conditions got steadily worse throughout 1822. The assets of the Bank, largely tied up in fixed capital, became immobilized in the hands of the London agents, as security for debts already outstanding with them. The news that all was not well with the Bank leaked out in 1822 from several quarters. For instance, on

<sup>1</sup> Ibid.

<sup>2</sup> Vide author's M.Sc. Thesis, loc. cit.

<sup>3</sup> MS. 3. 644, loc. cit.

<sup>4</sup> Vide M.Sc. Thesis, loc. cit.

25 July of that year Thomas Bassett, Solicitor, of Bonvilston, wrote to Mr George Jenner, Gentleman, of Wenvoe:

‘Mr Wood owes money to the Aubrey Arms Club and has evaded payment by repeatedly ignoring demands. I will pay the debt myself and send the Bond to the Bank to be deducted out of what I owe there and for which I am now paying exorbitant interest.’<sup>1</sup>

In the same year, too, the finances of the Cardiff Cavalry, of which John Wood was an Officer and Treasurer, were the subject of inquiry.<sup>2</sup> Around about this time, too, John Wood and his brother Nicholl brought a successful action for slander against a local tradesman, the publicity of which did not improve matters despite the result.<sup>3</sup> It is not surprising, therefore, that rumours that the Bank was in difficulties caused a ‘run’, and on the morning of 17 September 1822, the townspeople of Cardiff were thrown into consternation by the appearance of the following notice attached to the Bank premises in Duke Street:

‘Messrs Wood, Wood & Co., Bankers, Cardiff, having stopped payment, a Meeting will be held at the Town Hall, in Cardiff, on Saturday next, at 12 o’clock, when and where the creditors are requested to attend.

Cardiff, 17th Sept. 1822.’<sup>4</sup>

A little less than a year later John Wood was declared a bankrupt, and his estate was thenceforth sold by auction to discharge his Bank’s indebtedness.

The contributory causes of the Bank’s failure are not suggested in the bankruptcy proceedings, but an examination of the Bank’s activities, or what amounts to the same thing, those of its owner, supports what has already been said about the unwisdom of tying up the bulk of his assets in fixed investments like real estate, which made it impossible for him to meet the demands of his customers for cash in return for the Bank’s notes. Accommodation from London became no longer available when his agents refused to honour his notes. By the time of his bankruptcy he had deposited deeds with them to the value of £26,386. 3s. 4d. to cover debts to that amount. Furthermore, the assignees appointed by the Commission of Bankruptcy proved additional debts due to the amount of £19,759. 10s. 10d. As the title deeds of a great portion of Wood’s estate had already been appropriated to secure the London debts, the sum of £19,759. 10s. 10d. was unsecured by collateral, and a dividend of 6s. in the £1 was declared. The £6000 odd necessary to meet this dividend came from the residue of Wood’s estate not already secured by Curtis & Co., and included debts received, money in the Bank, together with proceeds of the sale of furniture and farm stock.<sup>5</sup>

The failure of the ‘Cardiff Bank’, which for sixteen years had been the sole depository, issuer and lender in the area, naturally caused a first-class sensation in the neighbourhood. Wood, in a letter written at the time of his failure, says ‘the Gentleman who has been in treaty with me for my Banking concern is to let me know his answer tomorrow and if he does not accept the proposals I have another in view’. This suggests that others hoped to succeed where he failed.<sup>6</sup> No record exists, however, of a successor until the West of England and South Wales Bank opened years later. The echo of the failure of ‘Wood, Wood & Co.’ did not die away for another twenty-two years, for in the year 1845 an announcement by printed bill advised all creditors of the payment of a final dividend.<sup>7</sup>

*Technical College, Cardiff*

<sup>1</sup> MS. 3. 639.

<sup>2</sup> MS. 5. 135.

<sup>3</sup> Ibid.

<sup>4</sup> MS. 3. 639.

<sup>5</sup> MS. 5. 135, loc. cit.

<sup>6</sup> MS. 3. 644, loc. cit.

<sup>7</sup> Ibid.

# A. J. MUNDELLA AND THE HOSIERY INDUSTRY

By W. H. G. ARMYTAGE

## I

THE Italian influence on the social life of England in the first half of the nineteenth century was a vigorous one. There was Colonel Maceroni, who as an exile in London was embroiled in the stormy politics of the thirties, and wrote a pamphlet *Defensive Instructions for the People* to instruct the London workman in the art of street fighting and the erection of barricades.<sup>1</sup> Another, a true Carbonaro, was Antony Panizzi, who fled to London and earned the reputation of being the greatest legislator the world of librarianship had yet seen by his organization of the British Museum Library.<sup>2</sup> The son of yet another Italian was the initiator of an artistic renaissance, for Dante Gabriel Rossetti, born three years after Mundella, owed to his origins his keen sensations and the violent intensity of his passion. Italian exiles of more dramatic mould, like Mazzini and Garibaldi, were feted by the Radicals as their cause seemed to be the enaction of a free people fighting for their liberty.

One refugee, fleeing from Como as an unsuccessful rebel, found in the expanding industrial economy of England the sanctuary that later generations of his countrymen were to find in America.<sup>3</sup> He reached England almost penniless, and after an unsatisfactory stay at Bradford, where he was naturalized, settled in Leicester, where he endeavoured to teach modern languages. Pupils were few. The majority of the town were engaged in the lace trade, manufacturing it on frames in their own homes. Among these home-knitters was a woman of Welsh extraction, Rebecca Allsop 'richly endowed mentally and possessed of some property'. She was adept at her trade. Whether her industry, her modest competence, or more personal gifts attracted the exile is a matter for speculation. They married. It was her industry and adeptness at lace-making that kept the family together and proved the mainstay of the family budget for ten years afterwards. On 28 March 1825, they had their first child.

Antony John Mundella experienced a series of bitter attacks later in his career because his enemies either were not aware of the fact that he was born an Englishman, or, if they knew it, ignored it. Certainly his friend G. O. Trevelyan thought that he was of Italian birth.<sup>4</sup> It was often asserted that he was a Jew. But his schooldays were spent in the St Nicholas National School in Leicester where his schoolmaster was a clergyman with a taste for natural history. He spent his childhood 'groping in the pools' with his particular friend H. W. Bates<sup>5</sup>

<sup>1</sup> Max Beer, *A History of British Socialism* (1919) I, 71.

<sup>2</sup> A. Esdaile, *The British Museum Library* (1947). For an exhaustive treatment see M. C. W. Wicks, *Italian Exiles in London 1816-1848* (1937).

<sup>3</sup> Lady Charnwood, *An Autograph Collection* (1930). The author is Mundella's granddaughter. Davidson, *Eminent Radicals* (1880), pp. 126-7.

<sup>4</sup> *Mundella Letters*, G. O. Trevelyan to A. J. Mundella, 23 September 1883: 'I never realized that what makes you so much pleasanter than other people was your having been born within sight of Monte Generoso... I wish if that is the cause we had a little more Italian blood on the treasury bench.'

<sup>5</sup> *Hansard* (3rd ser.), CCLIV, 1982.

who was later to earn a name as an explorer of the Amazon. But school was cut short when he was nine years of age by the failure of Rebecca Mundella's eyesight and the cessation of her close work on the lace-frame. Mundella spent the next two years devilling for a printer where he remained till he was eleven, when he was apprenticed to a hosiery manufacturer.

His master, Kempson, of Albion Street, Welford Road, Leicester, made cuffs, ruffs, tippets, mantillas, boots, shoes, slippers and hosiery.<sup>1</sup> During the time that Mundella spent with him a crisis arose in the trade. Since it was a cottage industry, based on the Elizabethan stocking-frame of Lee, adults wove the web and children seamed it into stockings. But earnings were poor. The gross income of an average household was 7s. 6d. a week, out of which 2s. 6d. went for the rent of the cottage, and 1s. 6d. went for the rent of the frame.<sup>2</sup> These frame-rents were themselves a source of grievance, for two-fifths of the 4120 frames in Leicester were in the hands of an entrepreneur, who knew little of the trade and employed middlemen to collect his dues. Even the other three-fifths, which were in the hands of master stockingers, were often sublet at high rents. Moreover, the framework-knitter was liable to be paid in goods, and against this form of truck, protests were made in vain, since the work was easy to learn and there was an excess of knitters and frames. To these long-standing evils was added the catalyst that produced the crisis. Elastic ribbed hose, their staple manufacture, went out of fashion, and in spite of undercutting costs to lower prices, sixteen Leicester firms went bankrupt.<sup>3</sup>

The social reflexion of such an economy was unwholesome.<sup>4</sup> Every observer condemned it and retailed with sympathy the abuses of the system. Poor Law Commissioners, like Gulson in 1837 and Fletcher in 1840, called attention to the low wages, poverty and suffering. William Felkin, self-constituted chronicler to the trade, visited Leicester at the time and remarked on their pious acceptance of their lot manifested by the framework-knitters, 'hopelessness of improving their condition and helplessness if they attempted it'. He later rated the distress at that time as greater than that of the Lancashire cotton famine.<sup>5</sup> Young Mundella was similarly impressed. He described the situation as 'one of chronic lack of employment and chronic hunger',<sup>6</sup> and stressed the continual severity of the distress. So foul was the atmosphere in the town cottages that a frame-smith making his usual inspection gave it up and tried the country cottages. He found it no better there and had to give up completely because of ill health.<sup>7</sup>

It is not surprising, therefore, that a personality with a definite creed should gain a great following in the town. The political educator of the framework-knitters appeared in the person of Thomas Cooper, a thirty-year-old native of the town, self-taught in Greek, Latin and Hebrew. His apocalyptic conversion to Chartism occurred in 1840 and resulted in his establishment of the *Midland Counties Illuminator*, a paper through which he strove to organize and discipline his followers. But he supplemented this journalistic activity with educational

<sup>1</sup> T. Cook, *Guide to Leicester* (1843), p. 79. Kempson was alive to the importance of technological change and in 1842 took out a patent to improve his manufactures. R. B. Prosser, *A list of patents 1817-52 compiled from official sources*.

<sup>2</sup> William Felkin, *A history of machine wrought hosiery and lace manufacture* (1867), p. 454.

<sup>3</sup> *Op. cit.*

<sup>4</sup> J. H. Clapham, *Economic History of Modern Britain*, I, 42, uses the adjective.

<sup>5</sup> Felkin, *op. cit.* p. 458.

<sup>6</sup> Article by A. J. Mundella and G. Howell in T. H. Ward, *The Reign of Queen Victoria* (1887), II, 51.

<sup>7</sup> Felkin, *op. cit.* p. 459.

work through the adult Sunday school,<sup>1</sup> where a 'Shakespearean Room' was established. Here classes were held on English history and the Old and New Testament. Fervour ran so high that classes were held on weekdays as well. Young Mundella attended these meetings and was moved by one of Cooper's emotional harangues. Cooper has described it.

A handsome young man sprang upon our little platform and declared himself on the people's side and desired to be enrolled as a chartist. He did not belong to the poorest ranks, and it was the consciousness that he was acting from a spirit of self sacrifice, as well as his fervid eloquence, that caused a thrilling cheer from the ranks of working men. He could not be more than 15 at the time.<sup>2</sup>

But Cooper was not content to be an educator. He preferred the more stimulating role of agitator. His evangel reached its climax when he was nominated as universal suffrage candidate for Leicester. Meetings by rushlight, the rough and tumble of the hustings, the tearing of flags, were of no avail. His campaign was a fiasco. Moreover, he had gone too far. On 18 August 1842 a thousand men left their homes and paraded the town with a band playing and flags flying. For twenty-four hours the town was in their grip. Attempts to read the Riot Act failed and the military restored order. Cooper, though ironically enough absent at Hanley where he was pleading with strikers there to maintain law and order, was arrested on 26 August and jailed. He passed out of the immediate political firmament.<sup>3</sup>

The following year another striking personality appeared in Leicester. On the last Wednesday in 1843 Richard Cobden came to speak on his nation-wide campaign for the repeal of the Corn Laws.<sup>4</sup> Though he was the victim of continuous 'noisy interruptions', his personality had a great influence on the eighteen-year-old Mundella. He later referred to him as 'the greatest statesman and prophet of the century'.<sup>5</sup>

Neither Cooper or Cobden could alleviate the distress in Leicester. Indeed, up to 1845, the distress seemed to grow worse. By January 1842 the great hosiery houses announced that orders had ceased and that a great number of glove- and stocking-frames must stand still. Mundella commented on the distress at this time. 'The houses for the most part filthy, the abodes of discontent and misery. Hunger was not uncommonly stilled by the adults taking opium and administering Godfrey's cordial to their children.'<sup>6</sup> By 1843 25,000 framework-knitters petitioned parliament declaring:

your petitioners are suffering severe privations from the low rate of wages to which they have been reduced when employed; and the frequent periods in which your petitioners are out of employ, are greater in extent than any other body of workmen similarly situated with regard to steam power; which suffering your petitioners attribute to the want of protection for labour, by which we are left at the mercy of the unprincipled and competing employers, which system has extended itself throughout all the branches of this trade.

The turn of the tide is visible in 1845. It was due primarily to technological change within the industry itself. This enabled the hosiers to popularize their goods to catch the common eye, by introducing a greater number of styles and

<sup>1</sup> T. Cooper, *Autobiography* (1872), pp. 164-70.

<sup>2</sup> Op. cit. and *Mundella Correspondence*, T. Cooper to Mundella, 9 March 1873: 'the way you introduced yourself when young.'

<sup>3</sup> *Leicester Chronicle*, 21 August 1842, 28 August 1842.

<sup>4</sup> Op. cit. 30 December 1843.

<sup>5</sup> Speech, 4 July 1884.

<sup>6</sup> T. H. Ward, loc. cit.

colours to keep up with the new fashion of the exposed stocking 'contributing its share to an elegant costume'.<sup>1</sup> The firm of Collins applied the rotary power of the steam engine to the new round frame for the weaving of stockings.<sup>2</sup> The genius of the change was Luke Barton, who made the weaving of the seamless tube of hose a practical possibility.<sup>3</sup> This tide of change Mundella was to take on to a fortune. In the same year he left Kempson's and became overseer of one of the warehouses set up by Harris and Hamel who made fancy goods and hosiery. The senior partner of the firm, old Richard Harris,<sup>4</sup> was alive to the importance of change and the year before Mundella joined the firm had taken out a patent to manufacture looped fabrics.<sup>5</sup> We have Bates's impression of Mundella at this time:

if I recollect aright you were a tall, thin, active smiling young fellow whom I last saw about the year 1846 or earlier. You went heart and soul into business after your recovery from the severe illness caused by your growing too rapidly.<sup>6</sup>

The firm prospered. So busy did they become in the manufacture of the fancy goods then coming into fashion that the average earnings of an employee jumped to £1 a week. Their new machinery was guarded from competitors. Felkin, himself a manufacturer, came over from Nottingham on a visit but reported that 'this house secures secrecy as to their production by the enclosure of their machinery'.<sup>7</sup> Mundella prospered. He was earning £200 a year and a commission on profits. He married. He became the superintendent of a large poor Sunday School at Sanvey Gate, Leicester. With his employer, Richard Harris, he advocated common political action by the middle and working classes. For this end a grand meeting was held on 17 April 1848 in the Ampitheatre. Mundella made a rousing speech:

What are the middle classes waiting for? While we are disunited the government can act to the detriment of both classes. It is something like the old fable of the dog and the sheep going to law together, and the wolf being called in to judge.<sup>8</sup>

A week later he sat on the platform with Richard Harris at an even larger meeting to pledge for the People's League.<sup>9</sup> Richard Harris himself was chosen to take the place of one of the Whig M.P.'s for the town, who had been unseated for bribery.

When Richard Harris went to Westminster and the People's League collapsed, Mundella took the opportunity of leaving Leicester. John Hine, a Nottingham hosier, offered him a partnership with Benjamin Hornbuck Hine, his son. The firm of Hine and Mundella was to build a new factory.<sup>10</sup>

## II

When Mundella went to Nottingham in 1848, the problem of German competition was serious. The Saxons could manufacture an article for a *Taler* (2s. 10d.) that would cost an English manufacture 10s.<sup>11</sup> As a result of a visit of investigation

<sup>1</sup> Felkin, loc. cit. p. 472.

<sup>2</sup> Ibid.

<sup>3</sup> Ibid.

<sup>4</sup> He had been a corporal in the Napoleonic wars and returned to build up a hosiery firm with warehouses at King Street and Braunstone Gate; see *Memoir of Richard Harris, M.P.* by T. Lomas (1855).

<sup>5</sup> R. B. Prosser, *A List of Patents 1817-52*.

<sup>6</sup> *Mundella Correspondence*, H. W. Bates (on his return from the Amazon) to A. J. Mundella, 1863.

<sup>7</sup> Felkin, op. cit. p. 472.

<sup>8</sup> *Leicester Chronicle*, 22 April 1848.

<sup>9</sup> G. R. Searson, *Liberalism in Leicester 1826-1850*, p. 139.

<sup>10</sup> R. Mellor, *Men of Nottingham and Notts*, p. 278.

<sup>11</sup> Felkin, op. cit. pp. 525-6.

to Chemnitz, a deputation of manufacturers returned with the determination to obtain new machines. They found the answer to their requirements in a machine shown to them by the Chevalier Claussen, which spun a round tube of hose, and was popularly known as the 'roundabout'.<sup>1</sup> Claussen's machine was a revelation to contemporaries. The *Morning Chronicle*, describing it at the 1851 Exhibition said 'a child can make 20 pair of stockings on it in a day'. Any pattern could be introduced. Its speed heralded the end of the stocking-frame since it worked at 700 picks a minute. Chambers' *Edinburgh Journal* pointed out 'the framework-knitter is now taking the place of the half-forgotten handloom-weaver and will soon probably occupy no better a social position'.<sup>2</sup> But the round frame still afforded scope for the hand-worker, since it made selvedged hose but not fashioned stockings. A complete revolution, which would alter the position of all parties connected with the industry, would attend the machine that could fashion hose and other articles manufactured on the 'roundabout'.<sup>3</sup> The eager speculation on the new machines became known as the 'fever of the round frames'.<sup>4</sup>

In the van of this movement were the firm of Hine and Mundella. A large new factory, designed by Benjamin's brother, T. C. Hine an architect,<sup>5</sup> was completed on 25 September 1851 on a site immediately opposite the Midland Railway Station. Shaped like a large letter L, its Station Street frontage of 192 ft. contained the warehouse, and its Trent Street frontage of 120 ft. contained the factory proper. This factory was 'filled with the much talked of round-frames and other machinery of the newest and most approved principles for the manufacture of almost every description of hosiery goods on the premises, a feature of the trade of recent introduction'.<sup>6</sup> It was the first steam-powered hosiery factory in Nottingham.<sup>7</sup> The railway guide gave an etching of it to illustrate 'Nottingham', Eliza Cook enthused over it, and the town guide referred to it alone, when it described the industries of the town.<sup>8</sup>

From its construction to 1859 the factory developed rapidly. Mundella was alive to the importance of technological improvements, and encouraged the operatives. He said later: 'In nearly every case it was the man who stood before the loom and who brought his brains to work upon it who had been the means of improving it'.<sup>9</sup> His usual method was to inspect the patent himself and, if he found it satisfactory, to take the working man into partnership with him. He had over twenty patents, in each one of them a working partner.<sup>10</sup>

These patents revolutionized the manufacture of hosiery. Its former plainness was varied in 1853 by the knitting of ribs down the side, made possible by patent no. 1967 registered by Mundella and Thomas Thompson. The next year they won the Gold Medal at the Paris Exhibition in a class of 180 exhibitors. That triumph was followed by an even greater advance, for in the same year Mundella registered with Luke Barton the most important of all, one which enabled a stocking to be fashioned by automatic action without stopping the machine.<sup>11</sup> This patent ensured that from two to ten products were woven on a machine at

<sup>1</sup> *Nottingham Review*, August 1850; *The Times*, 1 to 7 January 1852.

<sup>2</sup> *Edinburgh Journal*, 20 December 1851.

<sup>3</sup> *Nottingham Review*, 14 November 1851.

<sup>4</sup> R. Mellor, *Men of Nottingham and Notts*.

<sup>5</sup> Op. cit. 26 September 1851.

<sup>6</sup> *Nottingham Review*, 3 October 1851.

<sup>7</sup> T. C. Hine, *Diary of events in Nottingham*; *Knitters Circular*, June 1897.

<sup>8</sup> *Railway Guide 1859*, Eliza Cook's *Journal*, 15 May 1852, and W. H. Wylie, *Nottingham guide and handbook to places of interest*, p. 75.

<sup>9</sup> *Hansard* (3rd ser.), ccl, 753.

<sup>10</sup> Ibid. cxcvi, 954.

<sup>11</sup> Felkin, op. cit. p. 439 and p. 502, and F. A. Wells, *The British Hosiery Trade* (1935), p. 145.

less cost and in less time than it formerly took, when the machine had to be stopped to narrow the tube of hose that it was spinning. The technological revolution was complete, and the stocking was at last entirely machine made.<sup>1</sup>

The search for improvements continued.

In 1855 [he related], I went into a garret where I found a poor man working on a circular revolving machine which he had fixed on the bottom of a wooden chair, the only chair in the room. For seven years he had been patiently working at it. It was completed. It was patented. I purchased it. The poor man had his share and is now in comfort and independence.<sup>2</sup>

By 1857 further improvements had made it possible for both the inside and outside of the stocking to be woven exactly alike so that the facings were identical. In the same year *The Times*, referring to his factory as 'a model one', estimated the number of employees working there as 4000.<sup>3</sup> During the Crimean War, Mundella had experienced some difficulty with the government over both the contract system, and the antique specifications that they laid down. Indeed, Sir J. H. Clapham gives this as one reason why the hand-frames persevered so late in the industry.<sup>4</sup> Mundella protested that the worst articles were purchased at the highest prices and quoted the following case which he brought to the attention of Baring, First Lord of the Admiralty, at the time:

a quantity of underclothing had been purchased for the troops under these circumstances. The articles were made in Nottingham, and sold to a Dublin commission agent in Dublin, who sold them to an army clothier in that city, by whom they were sold to the War Department at 40 % above the original price.<sup>5</sup>

But on 1 February 1859, a disaster occurred. As the factory was working over-time to fulfil foreign orders, a fire broke out. It started at 9 p.m., originating, it is believed, from a carelessly dropped taper used to light the gas. In a short time the whole building was alight, because of the melting of the gas points, and the highly combustible nature of the stores. Within an hour the walls had collapsed, and by morning nothing was left but charred timber, broken shafts, and disjointed wheels. Nothing like it had been seen in Nottingham since the destruction of the castle by the mob in the Reform Bill riots.<sup>6</sup>

In a short time it was rebuilt and further patents added to the machinery so that by 1861 the entire frame had been modified.<sup>7</sup> An American patent was brought from W. C. Gist for enabling striped work of sixteen colours to be made at once. The machine spun eight separate heads of hose at the rate of a yard a minute. One operative thus could make 150 dozen pairs of women's hose a week.<sup>8</sup> Moreover, the second great name among English hosiery inventors of the century, Joseph Cotton, had the patent rights of his new machine purchased in 1865 by Hine and Mundella, in their new name.<sup>9</sup> The turnover, which at the start had been £1800 a year, was now £500,000.<sup>10</sup>

<sup>1</sup> J. H. Quilter and J. Chamberlain, *Framework knitting and hosiery manufacture* (Leicester, 1911), p. 29.

<sup>2</sup> *Hansard* (3rd ser.), cxcvi, 914.

<sup>3</sup> Felkin, *op. cit.* pp. 503-4.

<sup>4</sup> J. H. Clapham, *Economic History*, II, 86.

<sup>5</sup> *Hansard* (3rd ser.), cxcviii, 645.

<sup>6</sup> *Nottingham Review*, 4 February 1859.

<sup>7</sup> Felkin, *op. cit.* p. 504.

<sup>8</sup> *Op. cit.* p. 507.

<sup>9</sup> J. H. Quilter and J. Chamberlain, *op. cit.* p. 29 (Luke Barton was the first).

<sup>10</sup> *Sheffield Telegraph*, 22 July 1897.

## III

The results of this decade of technological change on the trade, on the operatives, and on Mundella's own outlook, were profound. The trade increased immediately. 'The introduction and improvement of circular machinery' wrote the industrial correspondent of the *Nottingham Review* in 1853, 'has enabled the English manufacturer to secure the purchases of buyers for the New York market.'<sup>1</sup> Moreover, new companies were formed to secure raw material, perhaps the most notable being the New Zealand Loan and Mercantile Agency in 1865.<sup>2</sup> The Saxon manufacturers felt the pressure of the competition, and the Chemnitz Chamber of Commerce was urged by Hahmann of the firm of Hecker-Coventil to encourage technical improvements on a similar scale.<sup>3</sup> Hine and Mundella began to send their machinery to a works which they acquired in Saxony, and H. Felkin was sent to look after their interests there in 1860.<sup>4</sup> It is small wonder that Mundella could declare to the Social Science Congress at Birmingham in 1868 'ours is almost entirely an export trade'.<sup>5</sup>

The old framework-knitters were true to the old Luddite traditions that the town could remember. By 1860 the conflict between the old framework-knitters and the new factory system reached a climax. A series of strikes broke out amongst them for increased wages. Gross personalities and placards made the situation an ugly one. The wages in the outwork industry formed over 90 % of the cost of production. Mundella saw the situation in its true light:

That the progress of improvements was for many years delayed by their opposition there can be no doubt, and twenty to thirty years of greatest suffering accrued therefrom to the hand-frame knitters. The amendment of their conditions and their subsequent elevation were only effected by those improvements in machinery which they had blindly and persistently done all in their power to retard.<sup>6</sup>

As the fourth consecutive strike broke out in the wide-frame section, the rest of the employers were for a general lock-out. Mundella disapproved. 'It meant throwing the whole population on the streets, and we should have had a dreadful state of commotion, we were sick of it.'<sup>7</sup> He suggested a conference between the operatives' representatives and the employers, and a handbill was issued, inviting both parties to a meeting in the Committee Room of the Chamber of Commerce. It met on 17 September 1860 with William Pickard, an outwork-knitter, in the chair. The meeting lasted for five hours, and at Mundella's suggestion the higher wages were given. To prevent further trouble he proposed the establishment of a Board of Arbitration, consisting of six employers and six workmen, to whom all questions of wage-rates should be referred.

<sup>1</sup> *Nottingham Review*, 14 January 1853.

<sup>2</sup> Established in 1865, it soon transacted the largest woollen importing business in the world. It advanced loans to New Zealand farmers amongst its other functions. Its bankruptcy in 1893 was responsible for Mundella's resignation from the Presidency of the Board of Trade in 1894.

<sup>3</sup> Felkin, *op. cit.* p. 526.

<sup>4</sup> He became an advocate of technical education and wrote *Technical Education in a Saxon Town* (1881).

<sup>5</sup> *Proceedings of National Association for the Promotion of Social Science*, p. 587.

<sup>6</sup> *Op. cit.* p. 527.

<sup>7</sup> *Op. cit.*

The Board of Arbitration for the Hosiery Trade had its first meeting on 3 December when Mundella was elected president. A small committee of four, on which he also served, was appointed to draw up rules. Few were wanted. It was the wage-bargaining that mattered. In the end the Board consisted of seven employers and seven operatives, with Mundella as chairman, meeting nine or ten times a year. The small committee of four was retained, and met once a fortnight to adjust wage disputes, which, if insoluble, they referred to the Board. Unanimity was the ideal, and after 1863 Mundella as chairman did not use his casting vote.<sup>1</sup> In essence preventive rather than remedial, Mundella was emphatic on their difference from the French *Conseils Des Prud'hommes*:<sup>2</sup>

Some stupid people keep writing about the *Conseils Des Prud'hommes* and identifying them with courts of arbitration. There is no resemblance between the two. The former are merely third parties constituted as a court to settle disputes that have arisen out of past transactions. The latter consist of the parties themselves not merely settling past questions, but arranging the rates of labour and all questions arising therefrom for the future.<sup>3</sup>

Imitators ignored his warnings and many of the later boards and industrial councils were remedial. The Nottingham board suppressed the truck payments in the outwork industry, and prosecuted the middlemen who broke the rules.

From 1863 to 1865 Mundella withdrew from the scene. The Cotton Famine caused the suspension of the Board itself till January 1865, though the committee of four was kept going. In 1863 Mundella's health broke down and he had to go to Italy for a holiday. In his absence his partners converted the business into a limited liability company because they thought he would never be able to assume active responsibility again.<sup>4</sup> They became 'The Nottingham Hosiery Manufacturing Company Limited', taking over the business of J. and J. Wilson in Saxony as well as further interests in Boston to secure distribution in Philadelphia and Massachusetts.<sup>5</sup> His recovery was slow, and in 1865 his old school-fellow chaffed him at the picture he presented 'with the gout, and a grown up daughter reading to you'.<sup>6</sup>

The year 1865 marked the beginning of another career for the old hosier. He attended the meetings of the British Association held in Nottingham, and heard a spirited appeal made for the teaching of science in the schools.<sup>7</sup> Moreover, his recognition of the right of labour to associate for wage-bargaining, and his belief in the gospel of 'social peace', was bringing him into the limelight as a valuable ally for the trade unions, who three years later were to invite him to contest Sheffield against J. A. Roebuck. His success and subsequent political career were profoundly influenced by the record of technological change that he had as a manufacturer. The animating force of his radicalism was the fervent belief

<sup>1</sup> The bibliography is extensive and based on Mundella's own narrative. For list see S. and B. Webb, *Industrial Democracy* (1911), p. 223, and *History of Trade Unions* (1920), p. 323. For the latest account see J. R. Hicks in *Economica* (1930).

<sup>2</sup> W. Felkin had translated the account of these in 1835, and ten years later read a paper to the British Association urging the establishment of such boards which should be 'local, cheap, frequent, and final'.

<sup>3</sup> *Mundella-Leader Correspondence*, A. J. Mundella to R. Leader, 3 September 1868.

<sup>4</sup> Op. cit. A. J. Mundella to R. Leader, 11 October 1875.

<sup>5</sup> Royal Commission on Trade Unions (1868). Evidence of A. J. Mundella, p. 78.

<sup>6</sup> *Mundella Correspondence*, H. W. Bates to A. J. Mundella 1865.

<sup>7</sup> Section D under T. H. Huxley, see *Proceedings*, etc. p. 48.

that in technical change and progress lay the prosperity of the country.<sup>1</sup> He was under no illusions as to why the trade union leaders supported him:

There is no parallel in England [he wrote] of such rapid improvement as in this trade since 1852. In 1848 there was not a factory in the town. Yesterday I looked through the wages books of our three factories and found men earning from £1 to £3 (per week). Why is it that all the trade unions stand by me so firmly? Because I have helped to double and quadruple their wages.<sup>2</sup>

<sup>1</sup> It was the argument he used in his crusade for compulsory education which he brought to a successful issue in 1880 as Vice-President of the Council. It was behind his demands for reform of the patent Laws, and the establishment of the Labour Department in 1893. Hitherto far too much attention has been paid to him as 'the apostle of arbitration'. That was only the means to an end.

<sup>2</sup> *Mundella-Leader Correspondence*, A. J. Mundella to R. Leader, 6 September 1868.

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## REVIEWS

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### MEDIEVAL LEICESTERSHIRE

R. H. HILTON. *The Economic Development of some Leicestershire Estates in the Fourteenth and Fifteenth Centuries.* (Oxford University Press (Geoffrey Cumberlege). 1947. pp. viii + 168. 10s. 6d.)

Both the value and the defects of this valuable book may be inherent in its subject. Mr Hilton writes of the 14th and 15th centuries, a period in agrarian history possibly of decisive importance for the political and social as well as the economic future of the country; his pioneer work in this little known field is an account of the estates of Leicester and Owston abbeys. The results obtained from a regional study are perhaps most significant when the region is coextensive with the special factors which make it worth separate study, or when it presents specially favourable material for studying them. The Leicestershire estates of Mr Hilton's study hardly conform to these requirements; they are in effect a random section of the country; possibly on that account he has been reluctant to draw too firm an outline round the facts which emerge from his documents. Many of these he has reproduced, however, in extended summaries, allowing his readers to work out some of the answers for themselves.

It is easier to indicate the end result of what happened in Leicestershire, between the early fourteenth and late fifteenth centuries, than to explain how it came about. Mr Hilton, who refers to the ruin of baronial estates and the rise of families like the Pastons, envisages a movement from feudalism to incipient capitalism. There is much to be said for this view; judging solely from the documents here paraphrased it would appear that the exact opposite was nearer the mark, and that the period saw the decline and fall of an early agricultural capitalism; but it does not greatly matter so long as these abstractions are not allowed to draw attention away from the facts.

The facts may not tell all Mr Hilton wanted to know. At the beginning of the fourteenth century the canons of Leicester and Owston, relying mainly on hired labour, were farming demesnes mostly of recent and composite origin on estates and in a region where, as Mr Hilton has well shown, the manorial system was present only in a sporadic and generally mild form. Mr Hilton has made excellent use of accounts to illustrate the important but not dominant position which the canons held in the regional economy. Before the end of the fifteenth century they practically withdrew from the economic life of the region to become the *rentier* landlords of a sort of minor yeomanry, 'a class of men able to cultivate an arable area of 60 to 80 acres'. It is to be supposed that the course of this revolution was governed by such factors as food prices, rents, technical developments, labour supply and relations and the tendency, in persons assured of an unearned income, to leave the work and some of the rewards of production to energetic members of the lower classes. It would be too much to expect that the action of all these factors would be displayed in the documents. The material

for price history is inadequate. Mr Hilton says nothing about the enforcement of labour laws in Leicestershire, and presumably there is no evidence.

On the other hand on some points doubts are raised not by the facts, but by Mr Hilton's emphasis. In considering changes in rents, tenures and the pressure of agricultural population on land Mr Hilton suggests a notion of an incipient capitalism, with a continuously growing differentiation of rich and poor. He shows very clearly how the customary and assized virgates and bovates of the early fourteenth century<sup>1</sup> disintegrated and were reconstituted, after *c.* 1350, as a smaller number of rather larger tenements held at economic and adjustable rents, and how members of the superior peasantry so formed proceeded, in the fifteenth century, to take over the canons' demesnes. And he describes the development of a class of labourers by *c.* 1380 (a period when landless agricultural labourers might have remained so from choice rather than necessity) and goes on to leave the impression that a large section of the peasants went on becoming 'more and more landless' during the fifteenth century. But the evidence reproduced on pp. 100-5 suggests that by *c.* 1475 this rural proletariat had almost disappeared. What may have happened here and elsewhere in Leicestershire in the next half century is another matter. Evidence about technical changes being viewed as a by-product of the documents, and not subordinated to the central economic thesis, there is an inevitable desultoriness about the passages on rotations and field systems. Practically all the arable land of these estates seems to have been pooled and redistributed after *c.* 1350. How did the composite 60-80 acre farms of the late fourteenth and fifteenth centuries compare, in lay-out, with the demesnes and customary tenements of the early fourteenth? Material for the answer seems to be available.

Mr Hilton has gone deep into the agrarian life of the later Middle Ages, and has brought up a quantity of evidence which other workers will be glad to exploit. It is very much to be hoped that he himself will be able to follow up his pioneer work with further studies and thus bring out all he really wants to say about the post-manorial age in English agrarian history.

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<sup>1</sup> It may be that the 'symmetrical' 1-virgate customary tenement of the early fourteenth century concealed an already existing piecemeal division among a number of tenants under an artificial unity imposed for the convenience of the landlord, e.g. to pin down responsibility for due performance of monetary and labour services. If that was so the subsequent disintegration of such tenements (as well as the diminished rate per acre of the economic rents at which their fragments were let) indicates the stronger position of the peasants *vis-à-vis* their lords.

Against this may be set a note by Mr Hilton (p. 101, n. 2) pointing out the apparent re-integration of new virgates from the fragments of the old late in the fifteenth century in a period when land circulated freely among leaseholders and tenants *ad voluntatem*. Cf. the constant recurrence of the bovine unit—likewise consistent with an active market in land—among the free tenants of the northern Danelaw in earlier centuries. I suggest that the perpetual reconstitution of bovates and virgates was due to their convenience, not indeed simply as measures of arable land (for which their convenience is far from self-evident), but as measures of common pasture rights. Cf. *ante*, xvi, 146.

## QUEEN ELIZABETH'S HOUSEHOLD

ALLEGRA WHITWORTH. *Purveyance for the Royal Household in the Reign of Queen Elizabeth* (*Trans. Amer. Philos. Soc. N.S. xxxv, pt. i.*) (Philadelphia. 1945. pp. 89. \$1.25.)

There were many ravening officials unleashed by a desperate administration upon Elizabethan society: the swarms of patentees and monopolists, the salt-petremen and the searchers for 'concealed lands', and last but not least the purveyors. It is the activities of this last category that are the subject of this careful and well-documented monograph by a pupil of Professor Conyers Read. The problem that faced the government was how to maintain a valuable prerogative form of income in the face of rising public indignation at the patent injustices to which its operation gave rise. The royal privilege of pre-emption of goods at well under market prices to feed the Household was a very considerable burden to the Home Counties who were thus squeezed for quantities of provisions that seem staggering in these austere days: over 4 million eggs, 13,000 lambs and 32,000 chickens, 600,000 gallons of beer were sample contributions exacted annually by the purveyors for the Queen. Increasing hostility in parliament, rising to a crisis in 1589, forced the indefatigable Burghley to devise some means of more equitably distributing the burden than by arbitrary pre-emptions by purveyors from those unable or unwilling to bribe them off. By judicious blackmail he compelled the J.P.'s of all the counties to 'compound' for annual fixed amounts, the collection of which was then left in local hands. By 1597 the system was complete and public opinion was quieted until aroused once more in 1610 by the more exorbitant demands of James and his family. Burghley's achievement, of which he was very proud, was accomplished in the face of opposition from the gentry in the country and in parliament; from the Common Law judges who as early as 1593 were openly denying the legal validity of the whole prerogative of purveyance; from the Queen who, in this unique instance of her household, would not tolerate even a hint of economy; and from the racketeering courtiers, Sir James Crofts and Sir Francis Knollys, who ran the system of purveyance for personal gain.

Apart from a few verbal infelicities such as 'obligated' and a most regrettable decision to give all quotations in modern spelling, the main defects of this monograph are an overskimpy treatment of the important issue of the relationship of the purveyors to the import merchant groups, and a certain obscurity over the comparison of purveyors' prices with those on the open market. Subsidiary points to be drawn from this valuable work are illustrations of the industry and honesty of Burghley, the intransigent irresponsibility of the Queen, the corruption of the courtiers and minor officials operating under her protection, the manner in which the J.P.'s shouldered additional administrative burdens in order to be able to shift taxation on to others, and the dexterity and tact with which opposition in the Commons was deflected and warded off. Finally, the footnotes of this thesis serve to re-emphasize the tragedy to the sixteenth-century economic historian that the bulk of Burghley's economic files should have found their way not to Hatfield or the P.R.O., but to the Lansdowne Collection in the British Museum where they remain, miserably inadequately catalogued, an inexhaustible unprinted and largely untapped mine of information and statistics on the first attempt in England at a planned economy.

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## SAVINGS BANKS

H. OLIVER HORNE. *A History of Savings Banks*. (Oxford University Press (Geoffrey Cumberlege). 1947. pp. vi+407. 18s.)

It is indeed strange, as Sir Spencer Portal and Mr W. L. Lawton remark in their foreword, that the Trustee Savings Banks 'should have succeeded in living so long and attracting so little attention to themselves'. During the nineteenth century their deposits were only a small part of the national capital, but their social significance cannot be measured merely in terms of statistics. Along with the friendly societies, the co-operative movement and the provident activities of the trade unions, the banks played a great part in the struggle of the industrial worker for the security and independence which comes from the ownership of even a small amount of property, a struggle which has done much to mould the British character. More recently their deposits have greatly increased, and in 1944 they totalled nearly £600 millions and the banks were established as one of the main pillars of the national savings movement.

Mr Horne tells the story from a point of vantage, for in 1930 he was appointed as the first full-time secretary of the Trustee Savings Banks Association, a post which he occupied until his death. It is very sad that he should not have seen the publication of his work, and the movement has clearly lost a great enthusiast and a great authority on its development.

Mr Horne traces the growth of the banks from their beginning during the Napoleonic wars through a stage of rapid expansion in the early post-war years, a difficult time in the middle of the century when a number of them were wrecked by a series of frauds, an unsympathetic legislature and the competition of Mr Gladstone's Post Office Savings Bank, a slow but steady recovery and finally a fresh lease of life since 1929, which has led to the opening of a number of new banks and an unprecedented expansion of deposits. The story is packed with intimate detail which will appeal especially to those connected with the banks, while the social historian will find much light thrown on a rather neglected aspect of his subject.

The origin of the savings banks was different from that of the other self-help organizations. The friendly societies, the co-operative movement and the trade unions were almost wholly 'working class', with the initiative and organization supplied by the wage-earners themselves. The trustees and managers of the banks, however, were drawn from local gentry, professional men and prosperous tradesmen. Mr Horne gives an interesting description of the mixture of idealism and concern for the reduction of the poor rate which impelled these men to undertake a responsible and thankless task. It is not unnatural that the banks should at first have been regarded with some suspicion by the industrial wage-earner, and an analysis of early records shows that women, especially domestic servants, agricultural workers and children predominated. The banks later won the confidence of many in the artisan group and of some unskilled industrial workers, but unfortunately Mr Horne gives no analysis of later lists of depositors to illustrate this.

Economists will notice a few small blemishes such as persistent references to Treasury bills long before that security came into existence and a tendency to consider money rates of wages as a factor influencing saving without regard to prices. They may also be disappointed at the scanty treatment which the more strictly economic aspects of the subject receive. For example, we are told that

Althorp, Goulburn and Goschen used Savings Bank funds to facilitate their conversion operations, but we are given no details and no hint as to what part the same funds may have played in similar operations of much more recent date. Again, the author raises the question of the extent to which small savings are diffused through the community, and disagrees with Professor John Hilton and Mr Charles Madge, but he makes no attempt to support his views with any statistical evidence. However, Mr Horne was clearly interested in writing the history of the institution he served rather than in answering the questions of economists, and this he has achieved admirably.

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### STATE AND ECONOMY IN THE U.S.A.

OSCAR HANDLIN and MARY FLUG HANDLIN. *Commonwealth: A Study of the Role of Government in the American Economy: Massachusetts, 1774-1861*. (New York Univ. Press (Geoffrey Cumberlege). 1947. pp. ix-364. \$3.50.)

The inevitable tendency of American historical writing on the early years of the Republic has been to concentrate upon the consolidation of the Union itself rather than on the growth of its constituent parts. The reasons for this lie partly in the manageability of the subject, partly in preoccupation with the progress of the new Federal experiment, and partly in a non-historical backward view in the light of post-Civil War experience. This emphasis has, it is true, long been modified by regional schools, particularly that of the Mississippi Valley. But an important area of study has remained neglected, even in the last generation of intensive work in the field. This is the development of the State as distinct from the Federal Government up to the Civil War. An attempt is now being made by the Social Science Research Council to fill this gap. Under the direction of its Committee on Research in Economic History studies are now in progress dealing with four representative States, the object of which is to analyse the role played by State governments in the economy from the Revolution to the Civil War.

The volume under review, dealing with Massachusetts, is the first of these to appear. One of its authors has already made his mark in this field with his study of immigration into Boston during the same period. The present volume must be considered a successful venture in the breaking of new and difficult ground.

The importance of State action in illuminating the prevailing modes of social control in the American economy before 1860 can hardly be over-emphasized. After that date the constitutional results of the war itself and the rapid growth of industrial capitalism on a national scale resulted in the shift of the major issues to the national arena. But for the first eighty years of their independence it was the States which largely worked out solutions to the problems of social and economic growth. The present volume brings clearly into relief problems of government control which are difficult to resolve if one concentrates exclusively on the Federal story. For instance Jacksonian issues such as the U.S. Bank, internal improvements or the ten-hour day, inevitably obscured by the exigencies of political manoeuvre on a continental scale, fall into place when examined in a more local context. The character of the economy itself made the State a more real, less adventitious and tentative, unit of control than the Federal Government. Industry was still emerging from the handicraft stage,

and even with the rapid growth of new means of communication, the market remained regional in its orbit; westward migration and immigration, although beginning to be important, had hardly unravelled the comparatively tightly knit societies of New England and the Middle States. Even Massachusetts, where industrialism was advancing fast particularly in textiles, remained a 'Commonwealth' in a real sense, distinct from other regions and even from its New England neighbours.

The authors show, however, that the term 'Commonwealth' had an even more specific meaning in the State's infancy, a meaning which the rapidity of social change had largely dissipated by the 1840's. The economic circumstances of the Revolution had determined that the new State should play a positive role in the regulation of the economy in order to consolidate its independence in economic affairs. A heavy legacy of debt called for the careful husbanding of Commonwealth resources and impelled the State to undertake the stabilizing of the economy and the encouragement of productive enterprise as best it could with limited resources. Its recourse was to a system of grants of privileges by charter and licence to chosen instruments which reflect a still prevailing mercantilist outlook.

But the assumptions about property on which both the constitution and subsequent State policy were based were conceived in terms of natural rights rather than of tradition and custom. This meant that when the balance of 'interests' was disturbed by the new 'interests' of an expanding economy (particularly as a result of the Embargo and the war of 1812) entrenched privilege was the more easily dislodged. Thus alongside the determination to use the instrument of the State in the interests of the Commonwealth as a whole went a widening accessibility to the State's patronage and in particular to the privilege of incorporation. The wide diffusion of the latter transformed its function from that of the chosen means of pursuing a common interest to that of a guaranteed area of private profit.

The early conception of a Commonwealth therefore lost ground in the twenties and thirties with the rise of new forms of capital enterprise all seeking from the State a place in the sun. As the authors point out, the battle was half lost before it was joined. An interesting result of this was that there was no need for a frontal attack on all political action to do away with special favours, and hence the *laissez-faire* argument hardly found a foothold in Massachusetts. There was no fear of State action as such; for the people controlled the State. As a result no one questioned the right of the State to interfere in other areas of private rights when there was a strong social sanction to do so, either in order to ensure equitable conditions of life and labour for all or to preserve the proprieties of an evangelical and humanitarian public opinion. Hence, on the one hand, it was possible for the Workingmen's Party to force the adoption of a lien law (although not the ten-hour day) and to secure in Commonwealth versus Hunt freedom from the law of conspiracy for workers' combinations, and on the other for the moral reformers to prevent Sunday trains and lotteries and to introduce the semi-prohibition of the Maine Law.

It is impossible in a short space to do justice to the argument as it pursues the intricate relationships between law and economic policy. The authors keep close to their material which, as one expects from an American book of this kind, is luxuriant in sources. The argument is at times difficult to follow but it would take perhaps a Dicey and a different academic climate to reduce such material to an elemental clarity. The authors have taken a somewhat narrow view of their

subject. They have concentrated perhaps unduly on the more legal aspects of the problem—much of the book is taken up with an able if minute account of the development of incorporation—and they have assumed a full knowledge of the economic background without which the significance of much of the account would be lost. The book is, however, a useful experiment which throws new light on important matter. One can look forward with interest to the forthcoming volumes on other States such as that by Mr Louis Hartz on Pennsylvania which is shortly to appear.

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## NEWFOUNDLAND

*Newfoundland, economic, diplomatic and strategic studies.* Edited by R. A. MACKAY. (Toronto, Oxford University Press, Geoffrey Cumberlege (Royal Institute of International Affairs). pp. 508+70. 30s.)

The task of editing this series of studies has obviously been difficult. Much has, however, been accomplished; the statistical material which has been collected is invaluable, and the closely argued narrative of the diplomacy of the late eighteenth and the nineteenth centuries adds greatly to our knowledge. There remains, nevertheless, some reiteration in the economic sections, whilst the historical and diplomatic sections lack co-ordination. Even when the chapters come from the same pen they remain too highly individualized as separate studies, and the inter-relations of the problems with which they deal are obscured and sometimes lost.

Such criticisms do not affect the value of the studies as works of reference. As the publishers state, these studies will remain a valuable source and reference book for many years. They will not be easily and freely read by those who hope for a fluent and comprehensive analysis of Newfoundland's position and problems. The volume was put in hand during the war, in the hope that it would be of assistance to the people of Newfoundland when they came to decide the future of their country. It certainly states the problems and provides data hitherto not available—much of it disconcertingly gloomy.

The fundamental problem is economic. Newfoundland is a land with little timber, few agricultural or other resources, dependent from the beginnings of settlement on fish exports and on imported food. Her economy is, and has always been, extrovert. Paper, pulp and mining have developed behind the fishing industry, but they also are dependent on external markets. Newfoundland sells largely in the sterling area and buys in dollars; Canada dominates her import trade but takes less than 10 % of her exports, over half of which go outside of the British Empire. Her population of under 300,000, of whom about 88,000 were gainfully employed in 1935, is scattered, largely unskilled, increasing naturally, and enjoys an average per caput income of less than \$150 per annum. The home market is therefore small, revenue is largely dependent on tariffs which bear hardly on low income groups, and Newfoundland finds herself dependent on world markets and circumstances outside of her own control. The prospect is that she will remain so, since she is not in a position even to attempt to control the trade cycle by government policy but must suffer the reactions of such attempts when they are made by her customers.

Attempted and partial remedies for this financial position are closely and sympathetically analysed, and the period of the Commission of Government is favourably dealt with. Even the Commission, however, with the financial resources of the United Kingdom behind it, was able to produce no more than partial remedies. By 1934 Newfoundland had reached a state in which there had been no balanced budgets since 1920; the railway earnings were normally less than the running costs, the level of amenities and public services was certainly not lavish but the island's economy did not normally produce enough revenue to pay for them, and the deficit was met by borrowing in New York and London, with the United Kingdom holding 95% of the debt by 1933-4. The problem was, as always, one of developing a diversified and self-dependent economy, which would give some immunity from world slumps by giving some independence of world markets and some alternative employments.

The war brought prosperity and balanced budgets, and the re-orientation of Atlantic routes with air travel has given hope to Newfoundland. At least her strategic importance will not be overlooked in the future, and civil and military bases may give employment and revenue enough to stabilize her economy. The problem is still complicated, as a closer integration of the economic and diplomatic sections in these studies reveals. For Newfoundland lacks communications and public services and must provide them if she is to serve the traveller or the guardians of the Atlantic. But her financial collapse began with the era of public spending on railways and dry-docks in the eighties; before that period, when she was discussing incorporation in the Dominion of Canada in the sixties, her financial position was better than that of the mainland colonies, with a low debt, a favourable balance of trade and adequate revenue for her needs.

The last chapter, on the new strategy and prospects, was written during the war and is obviously limited thereby. It might well have been called 'Return to Atlantic Bastion' instead of 'Transition to Atlantic Bastion'. For the flank position of Newfoundland, to the north of the Atlantic routes, is old, not new. The early history of this oldest colony receives scanty treatment throughout these studies, but the problems of Newfoundland were fully appreciated in the sixteenth century, when the Devon fishermen interrupted settlement and fought the French and the mainland settlers alike, and when Hakluyt wrote that if we occupied this bastion 'so shall we be able to crye quittaunce with the King of Spain if he should goe aboute to make any generall arreste of our navye'.

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## LABOUR IN ENGINEERING

JAMES B. JEFFERYS. *The Story of the Engineers 1800-1945*. (Lawrence and Wishart. 1946. pp. 301. 10s. 6d.)

Economic historians have long felt a need for a monograph on the rise and development of British engineering. This book, with which the Amalgamated Engineering Union signalizes its twenty-fifth anniversary, goes some way towards meeting it. The union is to be congratulated on having found to write its story a skilled historian who has had personal experience of the technique of the industry and of the effects of this on the conditions of labour.

The modern engineer can trace his ancestry to the millwrights, carpenters and clock-makers of the eighteenth century. It was only, however, with the coming of the metal lathe, the planer, and their bewildering progeny of complicated mechanisms, that there came into being, in the early nineteenth century, the new classes of pattern-makers, fitters, turners, smiths and other metal-workers with whom this book is concerned. The proliferation of skills was hostile to unity of purpose, and much of the energy of the early unionists was wasted in demarcation disputes. This, no doubt, is one reason why the engineers played so small a part in the early labour movement; but, as Dr Jefferys points out, other circumstances also kept them aloof. So long as the textile-workers continued to oppose the introduction of mechanical devices they could not very well look for aid to those who earned their living by making machines. And so long as they and others were attracted by Owenism and Chartism they could hardly enlist support from a body of men some of whom had still reasonable hopes of setting up as masters in their trade.

With the end of these movements, and the formation of the A.S.E. in 1851, the engineers were drawn into the main stream: thereafter their story is largely that of trade unionism in general. Nevertheless, differences of emphasis remained. Engaged, as they were, in the production of capital goods, the engineers were peculiarly subject to periodic unemployment; and hence their union was less concerned to press for advances in wages than 'to destroy the redundancy in the labour market'. The long disputes about hours of work, piece-rates, overtime and entry to the trade arose largely from anxiety as to security of employment.

The years between 1852 and 1892 brought relatively few outstanding changes in the tools of the trade or the methods of using these. But the succeeding period to 1914 saw a rush of innovations. New electrical devices, internal combustion engines and consumers' goods (sewing-machines, bicycles and cars) were added to the products of the industry. New instruments, like the capstan and turret lathes, were devised, and new materials, such as high-speed steels, introduced. There were new combinations of capital, new methods of workshop organization, and new systems of payment. The War of 1914-18 saw even greater developments: a rapid growth of the aircraft branch of the industry; a vast extension of the employment of women and other semi-skilled workers; the rise of the shop stewards; a revolt against centralization in the union; and a growing political consciousness among the rank and file. Soon after it ended nine smaller societies merged their fortunes with the A.S.E., and the Amalgamated Engineering Union, with more than 450,000 members, came into being.

During the twenties and thirties unemployment was, once again, a main pre-occupation of the engineers; but there were now few attempts to meet it by restrictive practices. When, in 1933, the Union put forward its demand for the 40-hour week, the argument was no longer that shorter hours would lead to more employment, but that the increase of productivity had made it both possible and socially desirable. During the War of 1939-45 the A.E.U. admitted women to its membership and took other steps which completed the process of transformation from a craft into an industrial union. The greatly increased powers it had acquired were exercised with a sense of responsibility to the nation, and members took a leading part in the setting-up of Joint Production Committees and welfare organizations in all parts of the country.

Dr Jefferys's survey of these and other developments is open to little criticism as to fact or interpretation. (Only on one minor matter is the reviewer disposed to question a judgement: on what grounds does Dr Jefferys base his belief that

unemployment among engineers in 1893-4, 1903-4 and 1908-9 originated in the industries producing goods for the wage-earners and not, by inference, in an immediate fall of demand for capital goods?) It is to be regretted, however, that more pains were not taken in presenting the material to the reader. No doubt the need to complete the book by a prescribed date left the author with little time to amend his syntax. But not even extreme pressure can excuse some infelicities of expression, or the reproduction of the same cartoon on two separate pages of the book. It is to be hoped that in preparing his next work Dr Jefferys will spare for the later stages some of the industry and skill which he is so clearly able to give to the early stages of authorship.

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## SHORT REVIEWS AND NOTICES

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JEAN HALPÉRIN. *Les assurances en Suisse et dans le monde*. (Neuchâtel: Éditions de la Baconnière. 1946. pp. 276.) In this dissertation the author has made a laudable attempt to deal with a difficult and vast subject, but the question arises whether he has not attempted too much. His book is unequal: the sections on Switzerland are much better than the rest, but are also out of proportion to the book as a whole. Generally speaking it is hardly possible to deal adequately with the history of insurance in a hundred pages, and the treatment must necessarily be sketchy. It is true that Dr Halpérin does not pretend to deal exhaustively with the history of insurance in all its aspects; his intention is only to show the relation between the development of insurance and the rise of capitalism. Even so, it seems that he has been overwhelmed by his subject, and committed himself to errors of fact and interpretation. Thus his statement that the oldest insurance policies were in vernacular and not in Latin and were drawn up by brokers and not by notaries (p. 25) is the very opposite of the truth. The Latin texts of several early notarial insurance contracts have been published in full by Bensa whose book the author cites repeatedly. One must conclude that he has neglected to examine the appendices of that book, even superficially. Contrary to the author's assertion (p. 47), the first examples of life insurance are not found in Antwerp during the sixteenth century. Bensa, in his appendices, gives several earlier examples from the fourteenth century. Such transactions were more akin to wagers than to real insurance. Another error is the statement that the Church's prohibition of usury originates in a decretal of Gregory II, entitled *Mutuum date nihil inde sperantes* (p. 30). This is not the title of a decretal but a text from the New Testament (Luke vi. 35)! And in fact we know of no decretal of Gregory II against usury. Generally speaking the author's discussion of the usury doctrine is highly unsatisfactory. No serious historian will subscribe to the contention that the medieval Church considered almost any commercial activity as usurious and approved only of such trade as was settled immediately by cash. The author believes that the Church's ban on interest was a major or determining factor in hampering the rise of capitalism and the development of insurance as well. Such a theory is disputable. As long as the overwhelming majority of the population lived on the land and as long as family and community ties were strong there was little need for insurance. Even to-day ownership of wealth is perhaps the best form of security. As for sterility of money the theologians, including Bossuet, did not contend that money if invested was sterile. They contended only that any investment involved an element of risk and that the lender was not entitled to a share of the profits if he did not also share in the loss. It is also untrue that Calvin was the first religious reformer to abolish the prohibition of usury (p. 57). As Henri Hauser has pointed out, Calvin's attitude on this question was very cautious and even timid. Finally, I doubt whether insurance was the major factor, or even an important factor, in the prosperity of Holland and England during the seventeenth and eighteenth centuries (p. 49). The most modern period does not fare much better than the Middle Ages. With regard to Great Britain the author's major source of information is the three-volume work of Sir John Clapham. The author's information on the United States is chiefly derived from German books long out of date. On the other hand his second part, dealing with Switzerland, is far superior in accuracy and thoroughness. The author points out that the first promoters of life insurance schemes were professional men: ministers, school-teachers, and lawyers. He also emphasizes the important role of famous mathematicians, who

laid the foundation of actuarial science, and of local economic societies which, during the early stage, organized prize contests, published reports, and sponsored various schemes. Perhaps the author should have stressed that life insurance found its strongest support among the members of the professions who enjoyed comfortable income but had little property to bequeath in case of an unexpected and premature death. In the matter of fire insurance the cantonal authorities took the initiative of creating chests sometimes supported by compulsory contributions. Experience soon showed that such local organizations were unable to cope with cases of conflagration, and the field of fire insurance was taken over by private companies. The author mentions that inflation endangers the security offered by life and deferred annuity insurance. The international character of the insurance business is brought out, but the author's discussion neglects many important points, for example, the deleterious influence of exchange regulations and the disastrous consequences of wars.

RAYMOND DE ROOVER

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*The Statistical and Social Inquiry Society of Ireland, Centenary Volume 1847-1947*, with a History of the Society by R. D. COLLISON BLACK. (Dublin: Eason and Son, 1947. 12s. 6d.) With the older of its constituent bodies founded in 1847, the Statistical and Social Inquiry Society of Ireland claims that it is the third statistical society in Great Britain or Ireland to be able to celebrate its centenary. It was one of a number of societies founded during what a historian of statistics has called the 'Era of Enthusiasm', and its distinction lies less in the early date of its creation than in its continuous subsequent history. It is not difficult to see why, in the 1830's and 1840's, men interested in the social sciences should have founded bodies to develop and disseminate their ideas: the greater concentration and mobility of a people who held education in esteem promised success to the organizers of statistical societies as well as to those founding Mechanics' Institutes and literary clubs: the prestige of political economy was high and the social problems which its students believed it could illuminate and alleviate were all too manifest. In Ireland, in 1847, when the appalling catastrophe of the Famine attracted attention as never before to her social disorders, William Neilson Hancock, the Whately Professor of Political Economy at Trinity College, in association with a number of men distinguished in the public and academic life of Ireland, founded the Dublin Statistical Society to endeavour, by its statistical inquiries, to 'promote a taste for accuracy of observation and research', and by the development of political economy 'to teach the application of scientific principles to social questions'. The hey-day of the Society—if, indeed, that is not now imminent at the beginning of its second century, when Dublin is once more a metropolis, when a native government calls upon the society for advice, when a national civil service, wrestling with economic and social problems enlarges that valuable membership of a statistical society, men with theoretical and practical training—the hey-day of the society, at least in the period covered by Dr Black's history, was in the sixties and seventies. Membership by 1864 was not far short of three hundred: the Lord Lieutenant and his suite honoured by their attendance the sessional inaugural meetings. The storm of controversy on the Irish land system echoed in the Society's proceedings: its members heard papers urging the creation of a state savings bank, pressing for the state control of the Irish railways as a remedy for abuses, arguing for the enfranchisement and the wider employment of women, and, in the late seventies, insisting that protection was not a remedy for commercial depression. The President, in 1871, warned members of the danger of reacting too strongly away from *laissez-faire*: Mountiford Longfield, the following year, argued for old age pensions at the age

of sixty, for state hospitals for every citizen and for general state provision of schools, working-men's clubs and parks. The influence of the Society was not confined to those who attended its meetings. Its proceedings were published, and overseas connexions gave them some international circulation. More important, perhaps, the election as early as 1852 of twenty-four Literary Societies and Mechanics Institutes as corresponding societies brought provincial influence which was reinforced by the Barrington Lectures given under the auspices of the Society in the towns and villages of Ireland. By the nineties the Dublin Society was not alone among the statistical societies in finding its influence curtailed. Dr Black suggests that, in part, their eclipse was the result of the state's taking responsibility for functions which formerly had been left to private bodies. In addition, political economy had lost much of its popular appeal: it could no longer plausibly claim to be the panacea for social ills which it had seemed half a century earlier. The Society, too, was paying a penalty of longevity: it was outliving the foundation members—notably Dr Hancock—who had fondly cherished their creation, and, by the turn of the century, cultural and political movements whose claims many patriotic Irishmen were unable to resist, were deflecting from the Statistical Society talent which might otherwise have nourished it. Nonetheless, even in the troubled years after 1916, the Society continued its activities, and in the early twenties a doubling of membership began the developments which allow it, once more, to look to the future with confidence. In addition to his competent survey of the Society's activities, Dr Black's Centenary Volume contains brief biographical notices of some of its outstanding members, and, in an index to the Society's published papers, a key to a significant source of the economic and social history of Ireland in the last hundred years.

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F. J. REES. *Studies in Welsh History*. (University of Wales Press. 1947. 10s. 6d.) Those friends of Sir Frederick Rees who prevailed upon him to collect together some of the papers he has written on Welsh history are to be congratulated. The contents of this book, though not all of equal importance, include an admirable study of Geraldus Cambrensis, the well-known essay on The Tudor Settlement in Wales, and three papers on the Civil War. The paper of particular interest to economic historians is a reprint of a lecture given at Oxford on 'How South Wales became Industrialized'. Principal Rees observes that this took place in three phases. The first witnessed the beginning of the process of industrialization with the establishment of the iron industry on the north-eastern rim of the coalfield during the later decades of the eighteenth and the early part of the nineteenth centuries. The second phase covers the half century after Waterloo when, despite the vigorous 'sea-sale' coal trade, the iron industry, based largely on the production of rails and bar iron, remained the dominant factor in the economy of the region. There was during this period a substantial increase in the output of iron, and after the introduction of 'hot blast' a largely unsuccessful attempt to establish furnaces on the western semi-anthracitic coals. After 1860 this ascendancy was lost to the coal industry which, as the reputation of its steam coals grew at home and abroad, brought industrialism to nearly every valley of the coalfield. The output of saleable coal rose from 16 million tons in 1874 to nearly 56 million tons in 1914, much of which was shipped overseas. At the same time the introduction of steel-making and the exhaustion of Welsh ore mines led to a reorganization of the iron industry; furnaces were closed down in the old centres, and the new steel plants located near ports where the cargoes of now foreign ores were discharged. This was the third phase. With the end of the War of 1914-18 came what Principal Rees calls the 'phase of de-industrialization'.

In an era of shrinking foreign markets the coalfield paid the penalty of specialization. These outlines of the economic development of South Wales will gain general assent, but the length of the period covered in this useful survey leads inevitably to an over-simplification of the detail. The founding of the Welsh iron industry, for example, was not only the result of a discovery of rich sources of raw materials and the application of new techniques of production; it was also due to the gradual exclusion of overseas supplies of bar iron at a time when demand was increasing by reason of war. The financing of the rapid growth of the industry between 1790-1815 was made possible by a number of wealthy iron merchants thus attracted into the coalfield, who were able to transfer vast sums from their other interests to the building of new furnaces and rolling mills. The iron-masters themselves played a negligible part in the 'sea-sale' coal industry, and its early history must rather be seen in relation to the development of copper smelting on the coast of the Swansea and Carmarthen Bays. The later opening of first the Monmouthshire, and subsequently, the Aberdare and Rhondda Valleys was the work of a quite different group of men. There is evidence, too, that competition for labour between the coal-owners and the iron-masters which, as Sir Frederick Rees points out, came to a head in the seventies and eighties of the last century, was apparent thirty years earlier, despite the heavy migration of labour into the coalfield.

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HAROLD A. INNIS. *Political Economy in the Modern State*. (Toronto: Ryerson Press. 1946. 21s.) This volume of occasional papers is full of the learning and wisdom distilled from twenty and more years of intensive research into Canadian economic history. Readers of Dr Innis's books on fur and fish and other Canadian staples will recognize some familiar themes. There is, for example, the theme of excess capacity in transport, here once again expounded in two masterly essays, one of which emphasizes the economic operation, the other its political consequences. This is a theme which runs through all Canadian history as deep and strong as the St Lawrence River. Among historians of the frontier in North America, Professor Innis occupies a very interesting position. His local research has been as intensive and meticulous as that of anybody else, but it has not infected him with the taint of localism—nor of nationalism, which is the same thing writ larger. Historians in the United States following Turner have usually been obsessed with the significance of the frontier in *American* history, but Professor Innis shows his better quality, both as economist and historian, by remembering always the metropolitan markets which make the frontiers move. Normally their advance across the continent has been interwoven with the history of the great staple trades. They have therefore been highly susceptible to the stimulus and pressure of economic trends and fluctuations in Europe. At the same time, their own impact upon European international history has been at times 'cyclonic'. Thus, a study of Canadian history, properly pursued, 'gives a crucial significance to an understanding of cyclical and secular disturbances not only within Canada but without' (p. 228). A number of essays in this book (not all of them happily named) pursue this theme. Two or three essays pursue a second theme which, at first sight, might seem to be related rather distantly to the Canadian economy. 'The Impact of Industrialism upon Knowledge', however, has naturally attracted an historian who is deeply concerned with the pulp industry as one of the later arrivals among Canadian staples. To Professor Innis the diffusion of words since the invention of printing is a supply-and-demand history in which are interwoven technological change, business enterprise and the innate or acquired capacities of men to understand or misunderstand ideas.

In the two essays on this theme historical fact and thought are tightly packed and the conclusions or suggestions are highly significant for students, not only of economy but also of policy. Professor Innis pays keen attention to the words and mental habits that belong to social scientists of the various tribes. He believes the social sciences to be afflicted with present-mindedness and the hocus pocus of excessive specialization; their most neglected study, he declares, is the study of their own limitations (p. 78). The perspective that most of them lack is to be found in the history of the growth of society and the growth of thought about society. It is to history that Professor Innis turns for the reconciliation of jurisdictional disputes between the social sciences and the remedy for something worse—the uncritical self-absorption of arrogant specialisms. In a paper on ‘The Economic Significance of Cultural Factors’, he shows how the understanding of economic development requires the restoration of much that the economists have discarded, sometimes consciously and sometimes unconsciously. ‘As slot machines have been built up round the sizes and weights of various denominations of coins, so there has been a tendency for economics to be built up around the monetary structure.’ That is understandable; but economic development cannot be understood unless many other things are also reckoned with—technology and workmanship, geography (here Canadian experience speaks again at first hand), politics and power, religion with its values, habits and impulses expressing themselves in the behaviour of society. There is no escape from history which, by emphasizing the long-range trends of social phenomena, contributes depth and balance of understanding. Professor Innis sometimes overcrowds his paragraphs. His thought moves with an *élan* that sometimes over-strains his prose. Nevertheless, these essays are full of terse and mordant sentences. Here is one example from a footnote (p. 68): ‘The scholar must regard a University President as Diogenes regarded Alexander. All the President can do is to stand out of the light.’

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*Visitations in the Diocese of Lincoln, 1517–1531.* Edited by A. HAMILTON THOMPSON. Vol. III (Lincoln Record Society, vol xxxvii. 1947 for 1940). This volume completes the Lincoln visitations of the years immediately preceding the dissolution of the monasteries. It provides an unusually complete cross-section of ecclesiastical England, including as it does rich black monk abbeys such as Ramsey and Peterborough, smaller priories such as St Neot's, Augustinian abbeys buried in the country like Wellow and Owston, others in or near Oxford, such as Oseney and St Frideswide's, and a number of small and rural nunneries, together with St John's Hospital at Northampton, the Newarke College of secular priests at Leicester, and the three Oxford colleges of Brasenose, Lincoln and Oriel. As a very full introduction to all these documents, written in the editor's most genial vein, was provided some years ago in the first volume of the series, no general survey is needed here; if the reader thinks that much of the material here printed justifies the harshest judgements on the religious, he should in justice remember that the vast diocese of Lincoln had more than its share of small or medium-sized houses, sunk deep in the fields, where recruitment and observance had long been slack. Much interesting information can be gathered as to running expenses and landlords' methods, and St Frideswide's gives one more instance of the tendency for superiors to take effective control of all the offices of the house (p. 49), while the long Newarke document casts vivid light on the troubles and brawls caused by rival individuals among the local gentry who had an interest in the place. At Oriel Mg. Walter May was in trouble for practising judicial astrology instead of the theology to which the statutes bound him (p. 73), and we are told (p. 74) that the bishop was unable to decide off-hand

whether medicine might count as philosophy. A modern note is sounded by the complaint of the young canons of Owston (p. 46) that they are kept out of the garden because their elders and lay friends monopolize it by playing at darts (*ad spiculas*).

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G. N. CLARK. *The Wealth of England from 1496 to 1760*. (Home University Library.) (Oxford University Press. 1946. 3s. 6d.) This unassuming little book raises once again that problem of 'popular' exposition so baffling to the scholar: how to combine accuracy and caution with a sufficient degree of generalized explanation to hold the reader and make him feel that the subject makes sense. For the economic historian this is particularly difficult because he cannot escape into narrative, biography, or picturesque social detail; his subject, naturally austere, all too readily becomes arid. Readers of *The Seventeenth Century* will recognize again here the author's skill in segregating his material. He takes his stand at a series of dates—1496, 1572, 1662 and 1760—and surveys what the economic state of the nation had become at each of them. Geographical extent, population size and movement, agriculture, industry, commerce, economic policy, price changes, social stratification come successively under view in a series of vignettes compact with an astonishing amount of detail, written with an unobtrusive lucidity. (Exactly how Alderman Cockayne's project came to grief is not clear, nor—on a first reading at least—is the remark (p. 87) that 'When a government was trying to keep up the foreign value of the pound sterling in order to borrow cheaply abroad it could not afford to encourage exports'.) There is hardly a paragraph but will strike the reader as a judicious summing up of a complex situation. Professor Clark's method necessarily throws more light on the separate aspects of economic history than on their interaction. Thus the ebb and flow of the enclosure movement is not related with the fluctuations of the cloth industry, nor these in turn with foreign policy, war and peace. The debasement of the coinage in the sixteenth century falls for discussion pages apart from the general rise in prices on the one hand and the economic effects of the Dissolution of the Monasteries on the other. Again, to take a bird's eye view from any particular point of time (and the choice here made is at the very least arguable) is almost inevitably to convey the impression that all lines of development lead inexorably to the feet of the observer; indeed, that the centuries under discussion not merely did register, but were bound to register, the decisive increase in England's wealth that turned her from a backward country into a Great Power. Professor Clark says of the booms and slumps of the seventeenth century (p. 129): 'The fluctuations were, after all, only waves on the surface of a rising tide. . . .' True enough; but it is, surely, the inability of each generation to treat its ups-and-downs as transitory that both shapes economic history and makes its study worth while. It is, indeed, fortunate that Professor Clark did not pursue his thought to its logical conclusion, or we should have missed a noteworthy contribution to an important and exacting field of historical writing.

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